

## Dependent Care Flexible Spending Account

A Dependent Care FSA allows you to set aside a portion of your paycheck tax-free for work-related day care expenses.

### **Why should I enroll in a Dependent Care FSA?**

Without an FSA, you pay dependent care expenses with your after-tax income. This means that as you earn your wages, they are taxed and you can only spend what is left. When you enroll in an FSA, you do not pay taxes on the amount of your election so your taxes are reduced. Please consult your tax advisor for how you can use both the Child Care Tax Credit and a Dependent Care FSA to your advantage.

### **Who is eligible to participate?**

You may enroll in a Flexible Spending Account if you are eligible to enroll in your employer's medical insurance plan, even if you obtain your medical insurance from another source.

### **What expenses are eligible?**

Expenses are eligible for reimbursement if they meet all of the criteria listed below:

- Daycare services provided by a licensed daycare center, or by an individual in your home or the provider's home. Day camps and after-school care are also eligible if the services are used in lieu of regular day care.
- All dependent care expenses must be necessary for you and/or your spouse to work.
- Expenses must be incurred during the plan year to be considered eligible.
- Dependents must be age 12 or younger. You may claim expenses incurred for people older than the age of 12 if they are mentally or physically unable to care for themselves. This may include adults who require care so you may work, like your parents if they are your dependents for tax purposes.
- **Ineligible expenses** include education expenses, like tutoring or tuition for children in kindergarten or older. Meals and snacks provided by a day care provider are also not covered.

### **How do I enroll?**

Estimate the expenses you expect to incur in the next year, and make your election in the Employee Benefits Center at [www.mybentek.com/martincounty](http://www.mybentek.com/martincounty). All new FSA Elections during Open Enrollment will be effective January 1, 2025.

### **How do I calculate my election?**

Just calculate how much you expect to spend during the plan year for eligible expenses. The IRS sets the maximum contribution at \$5,000 per family, or \$2,500 if you are married and file separate tax returns.

Your contributions are the amount of your election divided by the number of pay periods in a year. This amount will be automatically deducted from each paycheck before taxes are calculated.

### **How do I access the funds in my FSA?**

There are two ways to use the funds in your FSA.

- **Debit Card**: Your BenefitsWorkshop Debit Card automatically deducts from your FSA balance. The Debit Card can be used at most daycare providers that accept credit cards. There is no PIN number and you do not need to activate the card. Simply swipe the card and sign the receipt. You should retain a receipt for each Debit Card transaction or have the provider sign the form in the space indicated. Documentation should be mailed or faxed to us within ten days of the transaction, along with a *Dependent Care Expense Documentation* form.
- **Manual Claim**: You also have the option of paying for expenses yourself and filing a claim for reimbursement. Claims can be filed once at the beginning of the year, each time you have an expense or on any other schedule you like. You can submit **all** the dependent care expenses you expect to pay at the beginning of the year. We will automatically issue you a check, or make a direct deposit to your bank account, every time you make a contribution. You can submit a *Direct Deposit Authorization* form when you enroll, or at any time during the plan year.

### **What happens to money left in my account at the end of the plan year?**

Expenses paid out of pocket during the plan year (January 1, 2025 to December 31, 2025) must be filed for reimbursement by March 31, 2026. After that date, any remaining funds are forfeited.

### **Can I change my enrollment later?**

FSA participants may enroll in, alter or amend benefit levels or contributions during the plan year, or cease participation if a Section 125 authorized qualifying event occurs. All changes must be consistent with the nature of the event.

For more information, please visit our website or contact Customer Service.

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The content of this newsletter is believed to be correct; if there is a discrepancy between the newsletter and the plan documents covering these benefits, the plan documents will govern the operation of the plan.