



## MSD of Wayne Township

### Dependent Care Flexible Spending Account

Under your employer's FSA plan, you may elect to contribute to a Dependent Care FSA, which will allow you to seek reimbursement for qualified dependent care expenses. The maximum amount you may allocate to this account is \$5,000.00 per household (\$2,500.00 if you are married and file a separate tax return) per plan year. The Dependent Care FSA is a pay-to-balance account; therefore, you may only be reimbursed up to the balance remaining in your account.

You may only seek reimbursement for expenses meeting the following requirements:

- The expenses are incurred for services rendered after the date of election and during the plan year to which it applies.
- Each individual for whom you incur the expenses is:
  - A dependent under age 13 whom you are entitled to claim as a dependent on your federal income tax return, or
  - A spouse or other tax dependent who is physically or mentally incapable of caring for himself or herself and has the same principal place of residence as you for more than one-half of the taxable year.
- The expenses are incurred for the care of a dependent described above, and are incurred to allow you and your spouse to be gainfully employed.
- If expenses are incurred for services provided by a dependent care facility, the facility complies with all applicable state and local laws and regulations.
- The expenses are not paid or payable to a child of yours who is under age 19 at the end of the year in which the expenses are incurred.
- The expenses are not paid or payable to an individual for whom you or your spouse is entitled to a personal tax exemption as a dependent.

Eligible dependent care expenses include:

- Care at a licensed nursery school
- Before and after school care
- Day care in or outside your home, including a babysitter or au pair
- Day camps

You may not seek reimbursement for the following:

- Kindergarten or the cost of tuition for education
- Overnight camps – no part of the cost of overnight camps is reimbursable
- Meals
- Transportation, including cost of field trips

**You cannot seek advance reimbursement; service must be provided before an expense may be reimbursed. An expense is considered "incurred" when you are provided with the care that gives rise to the expense, not when you are formally billed, or pay for the dependent care services.**