

Why Do I Need a *Dependent Care FSA*?

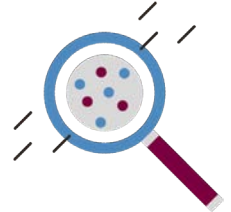
What is it?

A Dependent Care Flexible Spending Account (Dependent Care FSA) allows you to use tax-free dollars to pay for qualified child day care or adult day care expenses.



What is it used for?

The funds in a Dependent Care FSA are for out-of-pocket expenses like nursery school, child day care, before/after school care and even care for adult dependents. You cannot use the funds in a Dependent Care FSA for any medical purchases or services for your family. For that, you will need to make a separate election for a Medical FSA.

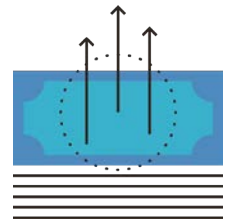


How do I save money?

A Dependent Care FSA gives you the power to set aside money tax-free from your paycheck to put towards caring for your children and any adult dependents in your care.

Tax Savings Example: You spend \$5,000 on day care each year. By enrolling in a Dependent Care FSA, you could save upwards of \$1,500.

(For illustration purposes only. Individual tax rates and maximum limits apply).



Example Savings:

\$5,000/year x 30% tax rate =
\$1,500/year in savings

Calculate Your Savings

Annual Election x Tax Rate = Annual Savings
\$ _____ x _____% = _____

Why do I need this plan?

A Dependent Care FSA is a financial tool used to reduce the cost of child and adult dependent care. You set aside tax-free money from your paycheck to put toward services you are already paying for. A Dependent Care FSA is just one more savings tool.

BONUS: If you have medical expenses for a dependent, you can consider enrolling in a Medical FSA with a separate election to receive tax-free savings on those expenses.



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