

# Questco's Dependent Care Flexible Spending Account



## *Dependent Care FSA (DCFSA) with ThrivePass*

### **What is dependent care FSA?**

A dependent care FSA is a flexible spending account that allows you to contribute a portion of your paycheck before taxes are taken out to pay for qualified dependent care expenses so that you can work or look for work.

### **Tax Benefits**

With a dependent care FSA, contributions to the account are deducted from your paycheck before income taxes are assessed, so your taxable income is reduced. Participants could enjoy up to 30%\* average tax savings on the total amount they contribute to the account.

### **Qualifying Dependents**

You can use your dependent care FSA to pay for care for children under age 13 that you claim as dependents, as well as adults or other relatives that are incapable of caring for themselves (if you provide more than 50% of their support). Please consult your tax professional for more information on other individuals that may qualify as dependents for purposes of the FSA.

### **Eligible Care**

An Eligible Care expense must be for the purpose of allowing you to work or look for work. Services may be provided at a child or adult care center, nursery, preschool, after-school, summer day camp, or by a nanny in your home.

### **Payroll Contribution**

Once you make your annual election during open enrollment, your employer will deduct this amount from your paycheck before taxes are assessed throughout the year.

### **Adjusting Contributions**

Typically, you cannot change your contribution mid-year. However, if you experience a change in status, such as the birth of a new child, you may be able to adjust your contribution. Check with your employer for details of your plan.

**Contribution Limits**

The IRS limits annual contributions to \$5,000 for single or married filing jointly, and \$2,500 for married filing separately.

**Funds Availability**

You only have access to dependent care FSA funds that have already been deducted from your paycheck.

**Using Funds**

You are able to pay directly from your account using a benefits debit card, if available. It can be used anywhere debit cards are accepted. You may also use online bill payment to pay for expenses or to submit a claim to reimburse yourself for a qualified out-of-pocket expense. If you pay for dependent care expenses out of pocket, you'll need to file a reimbursement claim.