



## Dependent Care Info Sheet

### How to save money on Day Care expenses

#### What is an FSA Dependent Care Account?

A Dependent Care Account creates a tax break for dependent care expenses such as: child care or day care expenses for children ages 12 or under or for children of any age who require custodial care that are physically or mentally incapable of self-care. Additionally, it can be used for custodial adult day care for a disabled spouse or senior citizen dependents such as parents or grandparents who are considered an IRS tax dependent and require someone to come into the home to assist with day-to-day living.

The day care expenses must be allowing you and your spouse to work, actively look for work or be a full-time student. If you have a stay-at-home spouse, you should not enroll in the Dependent Care Flexible Spending Account. To decide on an election amount, estimate your day care expense for the entire plan year and take into consideration any school holidays, breaks or summer vacations. Before and after school expenses are allowable as well as some summer day camps. Your election will be taken out evenly from each paycheck. The maximum annual deduction is \$5,000.00 (or \$2,500.00 if married and filing separately).

#### Eligible Dependent Care Expenses:

- Before and after school care for children under the age of 13
- Nursery School/Pre-school/Pre-kindergarten
- Care provided in your home (provider cannot be an IRS tax dependent or a dependent under the age of 19)
- Home or daycare for eligible disabled IRS tax dependents (must spend at least eight hours per day in your home)
- Licensed day-care providers
- Registrations Fees (Provided the qualified dependent actually receives the care)
- Summer day camps for children under the age of 13

#### Some examples of Ineligible Dependent Care Expenses:

- Payments to a spouse or payment of a qualified individual
- Daycare for a child aged 13 or older
- Education Fees/Tuition
- Enrichment classes/Summer School
- Overnight camps
- Meals, supplies, transportation costs, uniforms, diaper fees etc.
- Nursing Home/Long Term Care expenses

#### How do I file a Dependent Care Claim?

PBA offers a time saving Recurring Dependent Care Claim form that can be found online. This form saves you time as it only needs to be completed once at the beginning of each new plan year. Your reimbursement will be processed on the Monday following each of your payroll contributions until the end of year. No further Dependent Care claim submissions will be required by you for that plan year. To receive your reimbursement even faster, send along a Direct Deposit Enrollment Form which can also be found online. Your reimbursement will be deposited into your bank account on the next business day after Monday's weekly check cycle following your payroll contribution. Please keep in mind that both new enrollees and current participants must submit a new claim form each year. The form needs to be signed and dated by your Daycare Provider. Your child's Day Care Provider's current Tax ID or SSN will also be required.