

THE NEW FSA

USE OR

~~LOSE~~

Carry over up
to \$500

On October 31, 2013 the US Treasury Department modified its flexible spending account (FSA) “use-it-or-lose-it” provision to allow plans to allow carryover of Health FSA funds.

This is great news for you, because:

- Effective immediately, you can carry over up to \$500 of your unused Health FSA funds at the end of this plan year (2013). (This is a change to original plan provisions.)
- You can now carry over up to \$500 of unused Health FSA funds at the end of the 2014 plan year.
- Please note that the change to allow a carryover does not apply to Dependent (Day) Care FSAs.
- The money you put in an FSA is not taxed, so assuming you pay a combined 40% state and federal tax rate, you’re saving 40% off healthcare expenses funded through the account.

If you chose not to participate in the FSA program in the past because of the "use it or lose it" mandate, it's time to take another look.

FSA USE OR CARRY OVER UP TO \$500

