

Dependent Care Flexible Spending Account

Dependent care expenses include a wide range of child and elder care expenses in or outside your home, as long as the care is necessary to allow you and your spouse to work or actively seek employment, including:

- Babysitting or au pair expenses
- Before and after school programs
- Child day care and nursery school
- Pre-School
- Senior citizen day care – to the extent not attributable to medical services
- Summer day camp
- FICA and FUTA taxes of daycare provider
- Expenses paid to a relative 19 years of age or older that is not a dependent of the participant
- Nanny expenses to the extent attributable to dependent care expenses and expenses of incidental household services

You can use your Dependent Care FSA to pay for eligible care for the following individuals:

- The child must be under 13 years old and must reside in your home over 50% of the time
- Your spouse, qualifying child or relative (if over 13) who is physically or mentally incapable of self care
- The services may be provided inside or outside the home, but not by someone who is your minor child or dependent for income tax purposes
- If the services are provided by a day-care facility that cares for six or more children at the same time, it must be a qualified day-care center
- The services must be incurred to enable you, or you and your spouse if you are married, to be employed or look for employment or spouse is a full-time student
- The amount to be reimbursed must not be greater than your spouse's income or one-half your income, whichever is lower

You must provide proof for each dependent care service that you would like to be reimbursed for. Proof of service must include the date of service, name of provider, and cost of service. Documentation may be in the form of your provider's signature verifying the date and cost of service, or a formal/informal statement or bill from your provider.

Remember, dependent care expenses are incurred when the services are provided, not when you are billed or pay for the services. You can only be reimbursed up to the amount that has been deposited into your account. If your submitted expense exceeds the current amount deposited, additional reimbursements will be issued as additional monies are deposited into your account.

The following list is a partial list of expenses that are eligible and ineligible for reimbursement under your dependent care flexible spending account. For more information, please refer to IRS Publication 503, which can be found at www.irs.gov.

Eligible Dependent Care FSA Expenses

- Adult daycare programs
- Amounts paid to dependent daycare center (e.g. nursery school or daycare) for children under the age of 13
- Amounts paid for nanny or daycare services inside your home for children under the age of 13
- **Babysitting – in someone else's home or** in your home while you work
- Before and after school programs
- Child care
- Elder care – in your home or outside your home

- Latch Key programs before and after school for children under the age of 13
- Lodging provided for an in-home babysitter can be paid when submitted with dependent care charges
- Nursery school
- Pre-school
- Senior daycare
- Sick childcare
- Summer day camp
- Utilities for provider's lodging (for an in-home provider) when submitted with dependent care charges

Ineligible Dependent Care FSA Expenses

- Dance lessons
- Day nursing care
- Dependent daycare provided by your own child under age 19 or another dependent
- Dependent daycare obtained for non-work-related reasons
- Dependent daycare that could be provided by your employed spouse whose work hours differ from yours
- Dependent daycare expenses incurred if your spouse does not work, unless your spouse is a full-time student or is disabled
- Non-custodial day care costs
- Expenses for overnight camp
- Any expenses you claim for the dependent care tax credit on your federal income tax return
- Expenses paid by another organization or provided without cost
- Medical care
- Music lessons
- Nursing home care
- Piano lessons
- Sleep-away camp
- Swimming lessons
- Transportation to or from the dependent care location
- Tuition for schooling in kindergarten or higher
- Care provided for a dependent age 13 or over in full-time residential institutions, such as nursing homes or homes for the mentally disabled
- Care provided in a group care center that does not meet state and local laws
- Agency finder fees
- Charges for referrals to day care providers
- Costs for after-school educational programs
- Costs for clothing, entertainment or food
- Educational expenses (such as those for private school) for kindergarten or higher
- Expenses incurred before you began contributing to the account