Dependent Care FSA

What is a Dependent Care FSA (Flexible Spending Account)?

A Dependent Care Flexible Spending Account lets you set aside pre-tax money to pay for childcare or adult day care expenses while you (and your spouse, if married) are working. Eligible expenses include things like daycare, preschool, before/after-school programs, and care for disabled dependent.

Key Facts

When your funds are available

Funds will become available as they are deducted from your paycheck and contributed to the plan. In other words, once payroll is processed and your paycheck is issued, your Dependent Care FSA contribution for that pay period will be added to your account and available for reimbursement.

What Dependent FSAs cover

You can use your Dependent Care FSA to pay for expenses that allow you (and your spouse, if married) to work, such as:

- Daycare or preschool for children under age 13
- Before- and after-school programs
- Summer day camps
- Babysitters or nannies (while you are working – not for date nights)
- Adult day care for a disabled spouse or dependent
- Care provided in your home or at a licensed facility

Note: Private school tuition (K–12) and overnight camps are not eligible.

Changing your election:

To change your election after open enrollment, you must have a qualifying life event, such as:

- Change in marital status or number of dependents
- Birth, adoption, or marriage (increase in dependents)
- Death, divorce, or loss of eligibility (decrease in dependents)
- Change in eligibility due to a change in employment status for you, your spouse, or your dependents
- Change in daycare providers
- Child turning 13

If you experience a qualifying life event, contact your employer to make changes to your election.

Important Tax Information

You cannot use both a **dependent care tax credit** and a **Dependent Care FSA** for the same expenses.

How much you can contribute in 2027:

$7,500 – Per Household
If you file as single or married filing jointly

$3,750 – Per Person
If you file as married filing separately

The Internal Revenue Service (IRS) sets the maximum annual contribution each year. You can choose any contribution amount up to this limit, and it will be evenly deducted from your paychecks throughout the plan year.

Plan Year:
1/1/2027 to 12/31/2027

When to enroll:

You can enroll in an FSA each plan year during your company's annual open enrollment period.

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