

Getting Started

Your Dependent Care Flexible Spending Account



DCFSA — Getting started

Determine DCFSA eligible expenses, contribution limits, and tax savings



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You can use your Dependent Care Flexible Spending Account to pay for a variety of child and elder care services so you can save money on caregiving.

Read on to find out more on how your DCFSA works, or jump to a section with these links:

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What is a DCFSA?

A DCFSA is a pre-tax benefit account used to pay for dependent care services. Dependent Care Flexible Spending Account (DCFSA) funds can pay for services such as preschool, summer day camp, before or after school programs, and child or elder daycare.

- A DCFSA is a smart, simple way to save money while taking care of your loved ones so that you can continue to work.
- You decide how much to contribute to your DCFSA, and funds are withdrawn automatically from each paycheck for deposit into your account before taxes are deducted.
- As soon as your account is funded, you can use your balance to pay for many [eligible dependent care expenses](#).

What is the age requirement for using DCFSA funds for child care?

DCFSA funds can be used for children under the age of 13.

Eligible Dependent Care Flexible Spending Account (DCFSA) dependents include:

- A child under the age of 13 who resides with you and for whom you are entitled to a personal tax exemption as a dependent.
- Keep in mind that if you are divorced, the child is a qualifying individual with respect to you if the child lives with you even if you have permitted the noncustodial parent to take the exemption.
- A spouse, parents, or other tax-dependent adults who reside with you and who are physically or mentally incapable of self-care.

Check with your employer to see if they have decided to update plan documentation for your Dependent Care FSA based on recent COVID relief legislation.

DCFSA eligible expenses

Search [DCFSA eligible expenses](#) for spending your Dependent Care Flexible Spending Account (DCFSA) funds.

- The IRS determines which expenses are eligible for reimbursement.
- While this list identifies the eligibility of some of the most common dependent care expenses, it's not meant to be comprehensive.
- Please check with your tax professional if you have questions about whether a particular expense is eligible for reimbursement under this program.

DCFSA maximum yearly contribution limits

The IRS sets the annual contribution limits for Dependent Care Flexible Spending Accounts (DCFSA). You can contribute up to the maximums listed below:

Dependent Care FSA Pretax Contribution Limits	Amount
If account holder is married and files a separate tax return*	\$2,500 for each tax return filed up to the \$5,000 maximum
If the account holder is married and files a joint tax return	\$5,000 maximum
If the account holder is single/head of household**	\$5,000 maximum

**Annual contribution limit for 2022*

***If you and your spouse are both eligible to contribute to a Dependent Care FSA through your respective employers, you and your spouse may not each claim \$5,000. Please note you may not "double-dip" expenses (e.g., expenses reimbursed under your Dependent Care FSA may not be reimbursed under your spouse's Dependent Care FSA and vice versa.)*

Your maximum contribution may not exceed these earned income limitations:

- If you are single, the earned income limitation is your salary, excluding contributions to your Dependent Care FSA
- If you are married, the earned income limitation is the lesser of your salary, excluding contributions to your Dependent Care FSA, or your spouse's salary

Note: A different limit may apply to you according to your employer's plan.

Check with your employer to see if they have decided to update plan documentation for your Dependent Care FSA based on recent COVID relief legislation.

When are my DCFSA funds available?

Your Dependent Care Flexible Spending Account (DCFSA) funds are only accessible as they are deposited with each payroll deduction. Your full DCFSA election is generally not available at the start of a plan year.

Calculate DCFSA tax savings

Use the [savings calculator](#) to discover your Dependent Care Flexible Spending Account (DCFSA) tax savings.

What are DCFSA qualifications?

To utilize a Dependent Care Flexible Spending Account (DCFSA), you (and your spouse if filing jointly) must be working or looking for work during the year as defined by the Internal Revenue Service (IRS). Or if your spouse is considered a full-time student (i.e., enrolled at an educational

organization during each of five calendar months in the taxable year), or your spouse is physically or mentally incapable of self-care and lived with you for more than half the year.

Am I eligible for a DCFSA if my spouse becomes employed in the middle of the year?

If your spouse is working or looking for work during the year as defined by the Internal Revenue Service (IRS), you may be able to enroll in a DCFSA. Consult with your employer for details.

If I'm working full-time but my spouse is a full-time student for only one semester in a specific year, am I eligible for a DCFSA?

The Internal Revenue Service (IRS) specifies that a person is a full-time student if they are enrolled at a school for the number of hours or classes that the school considers to be a full-time course of study. Your spouse must have been a full-time student for some part of each of five calendar months during the taxable year. (The months need not be consecutive.)