

## Dependent Care Flexible Spending Account

The Dependent Care Flexible Spending Account, a valuable option if you have dependent care expenses, is administered through Wex. By participating, you lower your taxable income and increase your spendable income. The maximum allowed per household is:

- \$5,000/year per married couple filing jointly
- \$5,000/year per single parent
- \$2,500/year for married person filing separately

If you elect to participate, you specify the amount of money you want deducted pre-tax from your paycheck each pay period. These dollars are set aside in a flexible spending account and subtracted from your gross earnings before any taxes are taken out. After you submit a receipt for a qualifying dependent care expense, you will be reimbursed from this account either by check or by direct deposit.

The plan year is January 1 – December 31. You may enroll upon your hire, or during the annual open enrollment held in November/December.

**IMPORTANT:** IRS rules require that all funds must be reimbursed within the same plan year, or they will be forfeited! Any unused portion of your dependent care FSA balance must be forfeited if it is unclaimed within 90 days of the end of the plan year (Motion Recruitment Partners has a 12/31 plan year end date, so funds must be used no later than 03/31 of each year).

Some examples of eligible expenses are as follows:

- The dependent care must enable you and your spouse to be employed.
- The amount to be reimbursed must not be greater than your spouse's income or one-half of your income, whichever is less.
- The child must be under 13 years old and must be dependent under federal tax rules.
- The services may be provided in your home or another location 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, the facility must comply with state and local day care regulations.
- Services must be for the physical care of the child, not for education, meals, etc.
- Expenses for the care of a spouse or dependent who is incapable of self-care and regularly spends at least eight hours per day in your home.

Once enrolled, participants can manage their accounts on-line at [wexinc.com](http://wexinc.com). Questions about this program may be directed to Wex at 866-451-3399.