

Want to reduce your dependent care tax burden?

Dependent Care Accounts (DCAs)

let you reimburse yourself with pre-tax money for expenses associated with dependent care for children under age 13 or an adult-dependent incapable of self-care. Your contribution is taken from your paycheck before tax reducing your overall taxable income.

In 2025, you may contribute up to \$5,000 pre-tax annually (\$2,500 if married filing separately). In 2026, the limit increases to \$7,500 (\$3,750 if married filing separately). Reimbursement is allowed only after services are provided. Contribution amounts are set by the employer and may vary from employer to employer, not to exceed the IRS maximum.

Submit Your Full Amount

Submit the entire amount of your incurred dependent care charges, even if it exceeds your monthly contribution amount. This allows you to build up your incurred expenses, with amounts ready for reimbursement as soon as the payroll contribution is received from your employer.

How It Works:



January 1
Pay dependent care provider



January 1-30
Care is provided



January 30
Contribution is withheld from paycheck



January 30
Submit reimbursement request



February 5
Contributions received from employer and posted to participant account



February 6
Reimbursement is issued by direct deposit or check

This is an example for illustrative purposes. Processing time is between 5-7 business days. Time frames and terms may vary by employer.

Get Reimbursed

Receive your money faster:

- Use AFmobile® to submit claims on the go.
- File claims through your secured online account.
- Enroll in direct deposit.

**Want to know more about
dependent care accounts?**

Learn more at americanfidelity.com/dca