



FLEXIBLE SPENDING ACCOUNTS

Many of us take steps to reduce healthcare out-of-pocket costs, such as choosing generic drugs, seeing in-network providers and visiting urgent care clinics rather than emergency rooms. Don't overlook another opportunity to reduce your out-of-pocket costs!

Flexible Spending Accounts (FSAs) are a great way to save on income taxes while you budget for healthcare and dependent care expenses. PCS offers both a Healthcare FSA and a Dependent Care FSA to help you save.

FSAs allow you to pay for out-of-pocket medical expenses (such as prescription drug deductibles and co-pays) or dependent daycare costs with pre-tax dollars. This leaves a smaller amount of your income subject to taxes. When you pay less income taxes, your take-home pay increases!

Not enrolled in medical coverage? You can deposit up to \$75 per pay period of unused Board Contribution Credit in a FSA account.

ACCOUNT	USED FOR....	CONTRIBUTIONS	USE IT OR LOSE IT?
Healthcare FSA ♦	Most medical, dental and vision care expenses not covered by your health plan(s), including deductibles, coinsurance, co-pays, etc. ¹	Minimum: \$10 per pay Maximum: \$3,400 per year	Beginning January 1, 2027, you may carry over up to \$680 of your unused Healthcare FSA balance to the following plan year. ³
Dependent Care FSA ⁴ ♦	Dependent care expenses for day care for your dependent children under 13, after school programs, or elder care programs.	Minimum: \$10 per pay Maximum: \$7,500 (or \$3,750 if you are married and file taxes separately). ²	Any FSA balance not used by the end of the play year must be forfeited.

¹ Keep your receipts for the Healthcare FSA – you may be asked to provide documentation when you use your FSA debit card.

² If you are married and file separate tax returns, you and your spouse may each contribute up to \$3,750. You and your spouse must both be working to participate in this account, unless your spouse is a full-time student, totally disabled, or looking for work on a full-time basis.

³ This is subject to applicable IRS limits and plan provisions.

⁴ Dependent Care FSA is not for healthcare expenses.

NOTE: Unsubstantiated claims will be reflected as taxable income.