

FLEXIBLE SPENDING ACCOUNTS (FSA)

TASC

Flexible Spending Accounts, or FSAs, provide you with an important tax advantage that can help you pay healthcare expenses on a pre-tax basis. By anticipating your family's healthcare costs for the next plan year, you can lower your taxable income.

HEALTHCARE FSA

The Healthcare FSA allows you to set aside pre-tax dollars via payroll deductions to pay for qualified healthcare expenses for you and your dependents. **Per IRS guidelines, employees participating in a Health Savings Account (HSA) are not eligible to enroll in the Healthcare FSA.** The annual maximum amount you may contribute in 2026 is **\$3,400** per calendar year. Visit [irs.gov/publications/p502](https://www.irs.gov/publications/p502) for eligible expenses.

The Healthcare FSA can be used for:

- Eligible medical procedures
- Prescriptions
- Doctor office copays
- LASIK eye surgery
- Non-cosmetic dental procedures
- Prescription contact lenses, glasses, and sunglasses



DEPENDENT CARE FSA

The Dependent Care FSA allows you to use pre-tax dollars toward qualified dependent care expenses. The annual maximum amount you may contribute in 2026 is **\$7,500** (or **\$3,750** if married and filing separately) per calendar year.

Visit [irs.gov/publications/p503](https://www.irs.gov/publications/p503) for eligible expenses.

The Dependent Care FSA can be used for:

- The cost of child or adult dependent care
- The cost for an individual to provide care either in or out of your house
- Nursery schools and preschools (excluding kindergarten)

"USE-IT-OR-LOSE-IT" RULE

Keep in mind, FSAs are "use-it-or-lose-it" accounts. You will forfeit any unused amount remaining in the account at the end of the plan year. Additionally, you have 90 days from the end of the plan year (Until March 31, 2027) to submit any claims that you incurred anytime during 2026 but have not submitted for reimbursement. After this run-out period, any remaining balance from the prior year is forfeited.

MANAGING YOUR FSA

When you enroll in a Healthcare FSA, TASC will send you a debit card to pay for eligible expenses.

Depending on the transaction, you may need to submit receipts or other documentation to TASC. You can review claims and manage your accounts online at www.tasconline.com or by using TASC's mobile app. Download it from the App Store or Google Play.

Have Questions? Call 800.422.4661