



Eligible Expenses for Dependent Care Flexible Spending Accounts (FSA)

The Dependent Care FSA enables you to pay for out-of-pocket, work related dependent care costs with pre-tax dollars. You are able to participate in this account if care is provided in order for you and your spouse to work (if married), actively search for employment, or if your spouse goes to school full-time. The maximum you can contribute to the account is \$5,000 per calendar year if you are filing a joint tax return or \$2,500 if separate tax returns are filed.

An eligible dependent is defined as:

- ✓ Your qualifying child who is your dependent. The child must have been under the age of 13 when the care was provided;
- ✓ An individual who is physically or mentally unable to care for themselves (including care for a spouse or a parent). The individual must have lived with you for more than half of the taxable year and not be claimed as a dependent on someone else’s tax return. In addition, the individual must not have received a gross income of more than \$3,900 during the taxable year.

The following arrangements qualify as eligible Dependent Care:

- A Dependent Care Center, given that care is provided by the facility for more than six individuals and the facility complies with applicable state and local laws;
- An Educational Institution for preschool children. For older children, only expenses for non-school care are eligible;
- An individual who provides care inside or outside your home. The care can be provided by a relative or non-relative, but cannot be provided by your child under the age of 19, the child’s parent, or another tax dependent.

In order to be reimbursed, you must provide a Dependent Care Verification Form from your service provider stating their name, Tax ID number or Social Security Number, address, name of person for whom the services were provided, cost of services provided, and dates of service. Your service provider is required to sign this form. In addition, in order to be reimbursed you should submit a Claim Form and statement to Swerdlin & Company each time an expense is incurred. The Dependent Daycare Verification Form and Claim Form can be found at www.swerdlin.net/resources/forms.

Please see below for a partial list of eligible and non-eligible expenses:

Eligible Expenses	Ineligible Expenses
Nanny expenses for services provided inside your home, to the extent they are attributable to dependent care expenses	Food, transportation and incidental expenses (diapers, activities, etc.) if charged separately from dependent care expenses
Preschool	Kindergarten
Summer day camp	Overnight camps
Before or after-school care and activities	Late payment fees
Adult daycare center	Transportation to and from adult daycare center
Elder care inside your home	Nursing home care