Leavitt Group
WEBBER ADVISORS

Dependent Care Account

A Dependent Care Reimbursement Account (DCA) allows you to set aside part of your salary each pay period on a pre-tax basis for eligible expenses incurred for the care of your child while you are at work (if applicable spouse must be working also). You may elect up to $5,000.00 (for single or married filing jointly on taxes) per year for DCA (Dependent Care Expenses) or $2,500.00 (married couples filing separately on your taxes). The DCA Account also has a grace period at the end of each plan year. You must incur any expenses 75 days after your plan year-ends, and all claims must be submitted 90 days after each plan year ends to Webber Advisors. The IRS lets you make deductions on a "pre-tax" basis. For example, if you contribute $600 to a FSA account and $3,000 to a DCA account, that is $3,600 of your annual salary that will not be taxed. You will not pay Federal and State tax (if applicable), Social Security or Medicare. For most people, that is a combined savings of 30%!

*The full DCA election is not available the first day of the plan year as it is with Medical FSA. You may only be reimbursed the amount that has been withheld from your pay.

An Eligible Dependent:

- Children 13 years and under who reside in your household
- Adults/children mentally or physically incapable of self-care who spend at least 8 hours a day in your household

Eligible Expenses	Ineligible Expenses
o Day care facility fees for qualified dependent(s)	o Child support payments or childcare if you are a non-custodial parent
o Local day camp fees for qualified dependent(s)	o Payments for dependent care services provided by your dependent, your spouse's dependent, or your child who is under age 19
o Baby-sitting fees for at-home care of qualified dependent(s) while you and your spouse are working (care cannot be provided by you, your spouse, or other dependent)	o Healthcare costs or educational tuition
	o Overnight care for your dependents (unless it allows you and your spouse to work during that time)
	o Nursing home fees
	o Diaper Service
	o Books and Supplies
	o Activity Fees
	o Kindergarten Expenses

How a DCA (Dependent Care Account) Works:

- First, estimate how much money you will be spending during the plan year for qualifying childcare expenses
- Once you have enrolled in a DCA account, each pay period the elected amount you have chosen will be withheld and taken out of your pay before taxes are calculated. The money that you set aside will be deposited into your DCA account.
- To receive a reimbursement from your DCA account, you simply submit a Claim Form along with supporting documentation (within the current plan year, and after your effective date)
- You will only be reimbursed for eligible claims based on the amount, which has been deposited into your DCA Account. Any claim amount in excess of your current balance will go into a pending status until another payroll deduction amount is deposited into your account
- A new election must be made every plan year

How to Enroll in a DCA (Dependent Care Account):

- Enroll during the Open Enrollment Period
- Enroll when you are first eligible to participant in the plan
- Enroll when you have a qualifying change in status (example: birth of child, marriage, divorce)

Items that are needed on a receipt:

- Tax ID Number/SSN of person that is providing the service
- Dates of Daycare service provided
- Child's Name
- Provider's Name
- Amount that was paid

An example of potential savings at various contribution levels:

Filing/Annual Amount Elected		Savings
Single	$2,500	$691
Married	$3,500	$968
Married	$5,000	$1,383

Please speak to your Tax Advisor for true tax savings calculations.

Questions?? Please feel free to contact Webber Advisors Claims Department at (800) 326-9850 or email at Claims@WebberAdvisors.com