

Advantages of a Flexible Spending Account

Increase Your Take-Home Pay by Reducing Your Taxable Income!

A Flexible Spending Account (FSA) allows you to **save up to 30%** on your eligible healthcare and/or dependent care expenses every year by using **pre-tax dollars**.

Consider how much you spend for healthcare and dependent care in one year, including:

- prescription drugs
- medical/dental office visits
- eye exams/glasses
- over-the-counter medications
- vaccinations
- daycare tuition

Why not reduce these expenses by using pre-tax dollars instead of after-tax dollars? With rising healthcare costs, **every penny counts!**

By using pre-tax dollars, you are taxed on a lower gross salary, thereby saving money that would otherwise be spent on federal, state and FICA taxes, and so you **increase your take home pay!**

How it Works

The FSA is offered through your employer and administered by TASC FlexSystem. When you choose to enroll in a Healthcare FSA and/or Dependent Care FSA, you decide the dollar amount you want to contribute to each account based on your estimated expenses for the upcoming year. The funds will be deducted pre-tax in equal amounts from each paycheck throughout the plan year. For every dollar you put into these accounts, **the more money you save** by paying less in taxes.

As you incur eligible expenses, you simply submit a request for reimbursement to TASC FlexSystem to receive reimbursement from your FSA, up to the total amount of your annual contribution. TASC FlexSystem offers multiple methods to request reimbursement (paper form, online, and text messaging) and performs daily claim processing for reimbursements. By using Direct Deposit, reimbursements are forwarded to your bank within 48 to 72 hours of a completed claim submission.

*33 million Americans
save money every year
by participating in a FSA*

2009 Nielson Consumer Research

Pre-Tax Savings Example

	<u>Without FSA</u>	<u>With FSA</u>
Gross Monthly Pay:	\$3,500	\$3,500
Pre-Tax Contributions		
Medical/Dental Premiums	\$0	-\$300
Medical Expenses	\$0	-\$100
Dependent Care Expenses	\$0	-\$400
TOTAL:	\$0	-\$800
Taxable Monthly Income	\$3,500	\$2,700
Taxes (federal, state, FICA):	-\$968	-\$747
Out-of-pocket Expenses:	-\$800	\$0
Monthly Take-home Pay:	\$1,732	\$1,953

Net Increase in Take-Home Pay = \$221/mo!

For illustration purposes only. Actual dollar amounts may vary.