

FURTHERSM

Further

Spend every day wisely





Dependent Care FSA

Your Dependent Care Flexible Spending Account (FSA)

Making it easier to manage dependent care costs while you work



An expense **reimbursement** account for paying qualified dependent care costs, **tax-free**



Your contributions are **pretax and deducted** from your paycheck to fund the account



Save money on these costs¹





How your Dependent Care FSA Works

1

Estimate

Next year's eligible dependent care costs (estimate only what you think you will use*)

2

Equal Portions

are deposited from your paycheck pre-tax into your account – your money is available when deposited

3

A Spouse

in another plan may also open a Dependent Care FSA

4

Submit Claims

for reimbursement – online or by faxing

2021: \$5,000 maximum contribution limit (\$2,500 if Married and Filing Separately)

* Depending on how your employer sets up the account, money may be forfeited at end of the plan year or grace period



You can use your Dependent Care FSA to pay for:

- ✓ Licensed day care, nursery, or preschool
- ✓ Summer day camp
- ✓ Before and after school care
- ✓ Eldercare



Always save your receipts to ensure proper validation of expenses, as required by the IRS.



These you can't pay for:

- ✗ Education/tuition
- ✗ Field trip expenses
- ✗ Overnight camp



Meet Susan

Single parent, one child

Annual salary: \$58,000

Dependent Care FSA contribution \$5,000

Taxable income: \$53,000



	Without Dependent Care FSA	With Dependent Care FSA
Dependent care contribution	\$0	\$5,000
Estimated taxes ¹	\$17,400	\$15,900
Dependent care expenses	\$5,000	\$5,000

\$1,500 Tax Savings

Estimated tax rate ¹ = 30%



¹Assumes Susan is subject to a 30% income tax rate. Actual tax savings will depend on your FSA contributions, applicable state tax rates and your personal tax situation. Please consult your tax adviser for details.

Susan's story is a hypothetical example for purposes of illustration only.

Meet the Jacksons

Two-parent family with four school-age children

Combined annual salary: \$88,000

FSA & DCAP pretax contribution: \$6,200

Net taxable income: \$81,800

7 | Proprietary + Confidential



	Without an FSA	With an FSA
Estimated taxes ¹	\$26,400	\$24,540
Health care expense	\$1,200	\$1,200
FSA account	\$0	\$1,200
DCAP account	\$0	\$5,000

\$1,860 Tax Savings

At year's end, the Jacksons have not only saved \$1,860 in taxes, but they have used those savings to cover all their health care and childcare expenses.



¹Assumes the Jacksons pay 30% of their income in federal, State and social security taxes. Actual tax savings will depend on your contributions, applicable State tax rates and your personal tax situation. Please consult your tax adviser for details.

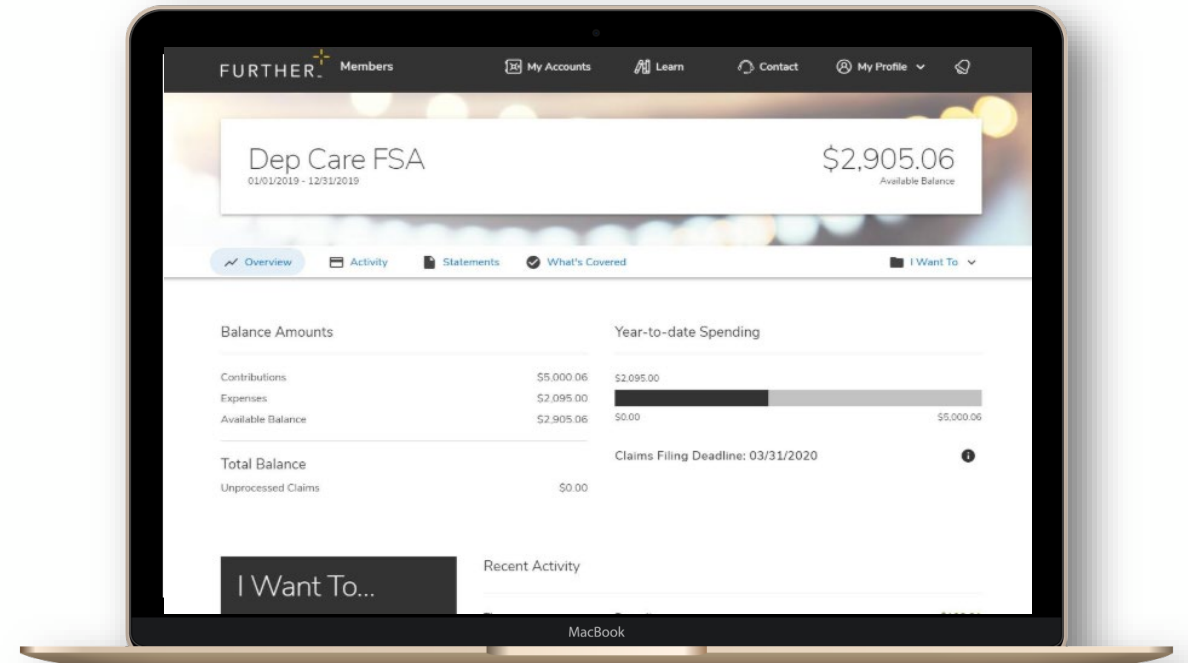
The Jacksons' story is a hypothetical example for purposes of illustration only.



After you're enrolled



- ✓ Receive your Spending Account I.D. by mail
- ✓ Register on hellofurther.com
- ✓ Download mobile app
- ✓ Submit claims for reimbursement
- ✓ View account activity and check balances
- ✓ Download forms and upload receipts

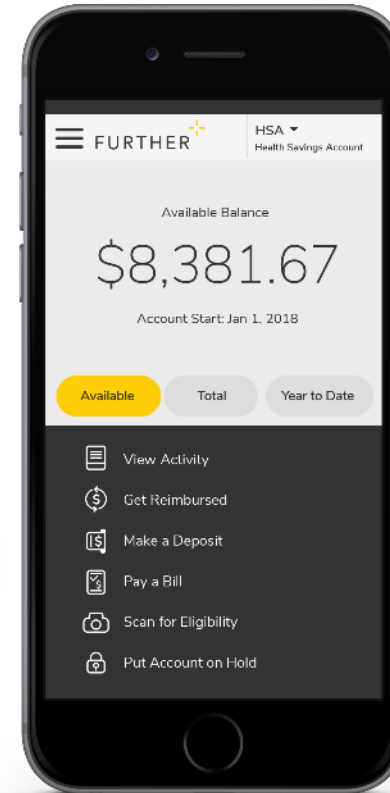
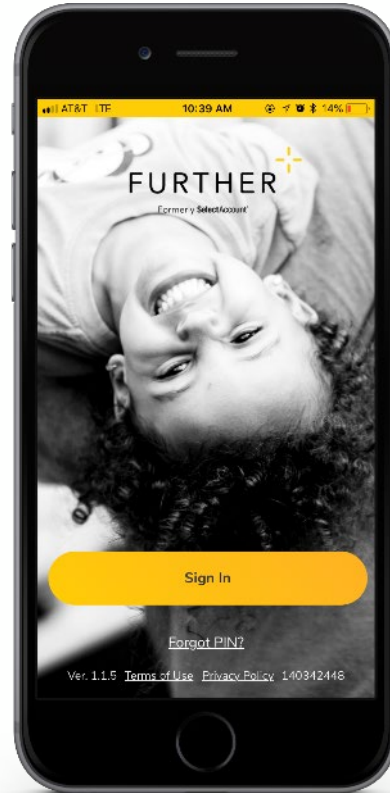




Mobile App

Easy to use tool that **features:**

- Fingerprint and facial ID unlock
- Snap and save document photos
- Barcode scanner to check eligibility
- Mobile access to all primary actions
- View activity
- Pay bills
- Make deposits
- Get reimbursed





Interactive Worksheet

Easy-to-use, interactive worksheet to help you plan and budget

Dependent Care FSA Worksheet FURTHER⁺

It is important to estimate your out-of-pocket expenses since unused funds at the end of the year or grace period might be returned to your employer.* Use this worksheet to calculate how much you should set aside for your dependent care FSA. Enter your amounts into the yellow boxes below. This form will calculate totals automatically.

Estimate your dependent care expenses
(The IRS allows a maximum contribution of \$5,000)

Dependent care expenses	
• Licensed day care, nursery or preschool	\$ <input type="text"/>
• Before and after school care ¹	\$ <input type="text"/>
• Summer day camps (not overnight camp) ¹	\$ <input type="text"/>
• Eldercare ²	\$ <input type="text"/>
• Other:	\$ <input type="text"/>
Estimated total out-of-pocket dependent care expenses	\$ <input type="text"/>

Estimate your annual tax savings from a dependent care FSA

Enter your estimated total out-of-pocket health care expenses from above \$

Enter your tax rate³ and multiply x %

This is your estimated annual tax savings by using a dependent care FSA \$

¹ Before and after school care by a licensed provider are considered child care by the IRS. Summer day camps also count as child care. Expenses for overnight summer camps and tuition for kindergarten and first grade (or higher) generally do not qualify for dependent care credit.
² When an elderly or disabled parent is considered a dependent on your taxes and you are covering more than 50% of their maintenance costs.
³ Depends on your tax filing status. Please consult your tax advisor with questions.

*Due to the COVID Relief legislation passed December 2020, some employers may offer a temporary extension on FSA carryover or grace period.

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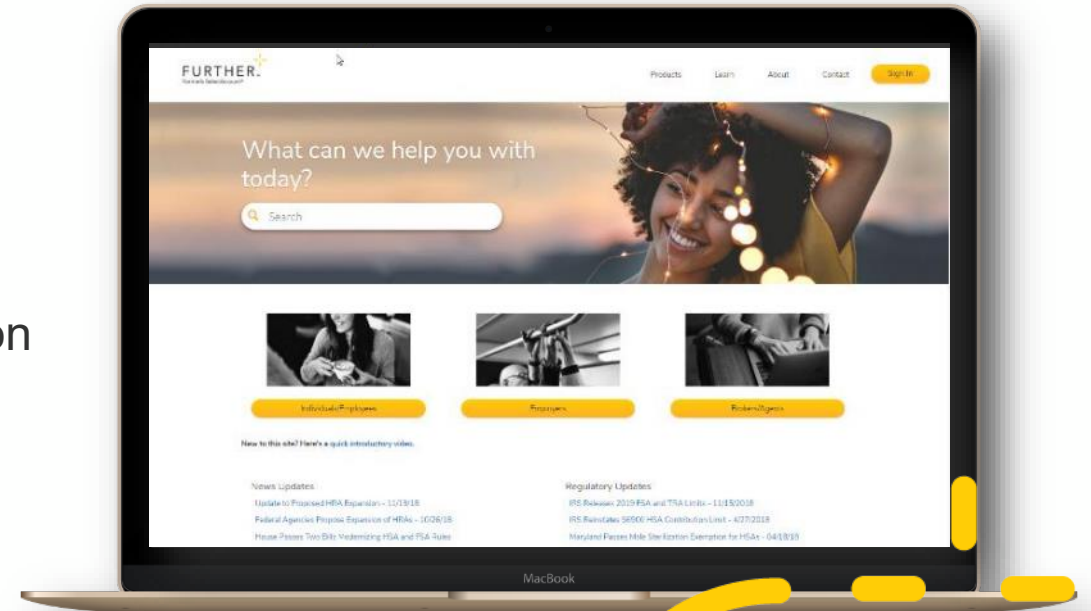
Simple tools that make decision-making **easier**



Learning Center

The Learning Center offers a robust array of articles, tools, and **resources including:**

- Savings calculators, videos and popular forms
- Guidance to help compare products
- Employer walkthrough of open-enrollment communication
- Tips for submitting claims
- Help using and managing your account
- Tax implication information
- How to get reimbursed
- FAQs



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Thank you.