



## **FSA's: Use It or Lose It? Not Anymore!**

**Flexible Spending Accounts**, or FSAs, used to be “use it or lose it.” Any money not spent by the deadline was forfeited – gone for good. But not anymore!

Thanks to a recent ruling by the IRS, you won't lose any of your FSA contribution as long as the balance left over is \$500 or less. It's called the “FSA Carryover.” Money left in your FSA account at the end of a plan year, up to a maximum of \$500, can now be carried over to the next plan year.

Health FSAs allow you to set aside up to \$2,750 per year in pre-tax money to cover eligible health-care expenses. In other words, an FSA lets you save on taxes for purchases you would have to make anyway.

And with **FSA Carryover**, there are even more reasons to elect an FSA this year:

### **Peace of Mind**

Safely set aside pre-tax money for unexpected medical emergencies without fear of losing money if it isn't needed.

### **Easier to Calculate**

Don't worry about precisely predicting your out-of-pocket medical expenses. If you set aside too much, you can carry over up to \$500 to the next plan year.

### **Flexibility**

If you normally set aside \$500 to cover expenses, you can now elect \$1,000 without fear of losing the difference. This can help you make better choices when facing unexpected medical costs by providing some wiggle room.

If you were not planning to elect a Health FSA for the upcoming benefit year, take another look. You'll get significant tax savings, the convenience of a Mastercard® debit card – and now, FSA Carryover up to \$500.