

Flexible Spending Accounts (FSAs)

What is a Flexible Spending Account (FSA)?

FSAs are tax-advantaged accounts that let you use pre-tax dollars to pay for eligible medical expenses.

FSAs Feature:

- IRS approved reimbursement of eligible expenses tax-free
- Per-pay-period deposits from your pre-tax salary
- Savings on income and Social Security taxes
- Security of paying anticipated expenses with your FSA

Is an FSA Right for Me?

If you spend any money on recurring eligible expenses during your plan year, you may save money by paying for them with an FSA. A portion of your salary is deposited into your FSA each pay period.

- Decide the amount you want deposited.
- You are reimbursed for eligible expenses before income and Social Security taxes are deducted.
- Save income and Social Security taxes each time you receive wages.
- To estimate potential savings based on your income and expenses, use the Tax Savings Calculator at www.tasconline.com/tasc-calculators/tasc-flexsystem-calculator/

What Types of FSAs Are Available?

The School District of Palm Beach County offers you a Health Care FSA as well as a Dependent Care FSA. If you incur both types of expenses during a plan year, you can establish both types of FSAs.

Health Care FSA

A health FSA is a tax-favored account that pays for or reimburses the qualified medical expenses of an employee and his or her dependents, including:

- Prescription drugs
- Eyeglasses
- Orthodontia

Dependent Care FSA (day care/elder care)

Dependent Care FSAs are tax-advantaged accounts that let you use pre-tax dollars to pay for eligible dependent care expenses. A qualifying 'dependent' may be a child under age 13, a disabled spouse, or an older parent in eldercare. Eligible expenses include:

- Daycare
- Nursery School Preschool
- Summer Day Camp
- Before or After School Programs
- Elder Day Care.

Receiving Reimbursement

With the Health Care FSA, the full annual election amount is available Day 1 (January 1st). Complete and properly submitted claim forms are generally processed for reimbursement within five business days. To avoid delays, follow the instructions for FSA claims submissions.

Direct Deposit

Enroll in direct deposit to expedite the time of your reimbursement.

- Enroll in Direct Deposit by accessing your participant portal at <http://www.tasconline.com> or by contacting TASC Customer Care at 1-800-422-4661.
- FSA reimbursement funds are automatically deposited into your checking or savings account within 48 hours of your claim approval.
- There is no fee for this service.

NOTE: Processing your FSA direct deposit enrollment may take between four and six weeks.

FSA Grace Period

An IRS Revenue Notice permits a "grace period" of two months and 15 days following the end of your 2025 plan year (December 31, 2025) for an FSA. This grace period ends on March 15th, 2026. During the grace period, you may incur expenses and submit claims for these expenses. Funds will be automatically deducted from any remaining dollars in your 2025 Health Care FSA or Dependent Care FSA.

You should not confuse the grace period with the plan's "run-out period". The run-out period extends until March 31st, 2026. This is a period for filing claims incurred anytime during the 2025 plan year, as well as claims incurred during the grace period mentioned above.

Claims will be processed in the order in which they are received, and your accounts will be debited accordingly. This is true for both paper claims and TASC Card transactions. If you have funds remaining in an account for the prior plan year, these funds will be used first until exhausted. Then subsequent claims will be debited from your new plan year account balance.

Will Contributions Affect My Income Taxes?

Salary reductions made under a cafeteria plan, including contributions to one or both FSAs, will lower your taxable income and taxes. These reductions are one of the money-saving aspects of starting an FSA. Depending on the state, additional state income tax savings or credits may also be available. Your salary reductions will reduce earned income for purposes of the federal Earned Income Tax Credit (EITC).

Flexible Spending Accounts (FSAs)

To help you choose between the available taxable and tax-free benefits, or a combination of both, consult your tax adviser and/or the IRS for additional information.

Where Can I Get Information About FSAs?

If you have specific questions about FSAs, contact the Customer Service department. Visit www.tasconline.com or call TASC Customer Service at 1-800-422-4661.

NOTE: your account information will not be discussed with others without your verbal or written authorization.

How Do I Get the Forms I Need?

Log in to www.tasconline.com to obtain:

- Claim forms
- A letter of medical need
- Direct deposit form

For more information call TASC Customer Service at 1-800-422-4661 for further assistance.

FSA Guidelines:

1. The IRS does not allow you to pay your medical or other insurance premiums through either type of FSA.
2. You cannot transfer money between FSAs or pay a dependent care expense from your Health Care FSA or vice versa.
3. You have a 90-day run-out period (until March 31, 2026) at the end of the plan year for reimbursement of eligible FSA expenses incurred during your period of coverage and any applicable grace period within the 2025 plan year.
4. You may not receive insurance benefits or any other compensation for expenses that are reimbursed through your FSAs.
5. You cannot deduct reimbursed expenses for income tax purposes.
6. You may not be reimbursed for a service that you have not yet received.
7. You may only be reimbursed for expenses incurred while you are actively enrolled and making contributions.
8. Be conservative when estimating your medical and/or dependent care expenses for the 2025 plan year. IRS regulation states that, any unused funds remaining in your FSA account after plan year and any applicable grace periods ends, and all reimbursable requests have been submitted and processed, cannot be returned to you or carried forward to the upcoming plan year.
9. When enrolling in either or both FSAs, written notice of agreement with the following will be required:
 - I will only use my FSA to pay for IRS-qualified expenses eligible under my employer's plan, and only for my IRS-eligible dependents and myself.
 - I will exhaust all other sources of reimbursement, including those provided under my employer's plan(s), before seeking reimbursement from my FSA.
 - I will not seek reimbursement through any additional source.
 - I will collect and maintain sufficient documentation to validate the foregoing.

PRE-TAX BENEFITS SAVINGS EXAMPLE

(With FSA)		(Without FSA)
\$30,000	Annual Gross Income	\$30,000
- \$2,700	FSA Contributions	- \$0
\$27,300	Taxable Gross Income	\$30,000
- \$3,689	Est. Federal & Social Security Taxes*	- \$4,845
\$23,611	Annual Net Income	\$25,155
- \$300	Eligible out-of-pocket medical and dependent care expenses	- \$3,000
\$23,311	Spendable Income	\$22,155

By using an FSA to pay for anticipated recurring expenses, you convert the money you save in taxes to additional spendable income. That's a potential annual savings of:

+ \$1,156!

**Assumes standard deductions and four exemptions*

Health Care FSA

What is a Health Care FSA?

A Health Care FSA is an IRS tax-favored account you can use to pay for your eligible medical expenses not covered by your insurance or any other plan. These funds are set aside from your salary before taxes are deducted, allowing you to pay your eligible expenses tax-free.

Whose expenses are eligible?

Your Health Care FSA may be used to reimburse eligible expenses incurred by:

- Yourself
- Your spouse
- Your qualifying children
- Your qualifying relative

When Are My Funds Available?

Once you sign up for a Health Care FSA and decide how much to contribute, the maximum annual amount of reimbursement for eligible health care expenses will be available throughout your period of coverage.

Since you don't have to wait for the cash to accumulate in your account, you can use it to pay for your eligible health care expenses at the start of your deductions.

How Do I Request Reimbursement?

- Simply log in to your TASC account and click the request a reimbursement button and follow the steps for the fastest possible claims reimbursement. Alternatively TASC also has manual claim forms available by contacting Customer Care at 1-800-422-4661.

PLEASE NOTE that canceled checks or credit card receipts (or copies) listing the cost of eligible expenses are not valid documentation for Health Care FSA reimbursement.

Fax TOLL-FREE to: 608-661-9601

Mail to TASC:

TASC

PO Box 7308

Madison, WI 53707-7308

*EOBs are not required if your coverage is through an HMO.



Card Experience

The hassles of carrying multiple cards and trying to remember which card pays for what are a thing of the past with the TASC Card. Just swipe this stacked card at the

point of purchase and eligible expenses are paid automatically with smart technology to know which account to draw funds from. Every participating employee receives a TASC Card and has access to several value-added card features:

My Cash

When it's necessary to pay out-of-pocket and request a reimbursement, we make sure participants get their money back fast with MyCash. TASC deposits reimbursement payments directly into the linked MyCash account within 12 hours—faster than the speed of bank direct deposit. Participants can then use MyCash funds to cover non-benefit expenses everywhere Mastercard® is accepted or withdraw as cash from an ATM.

TASC Card Lock

If a TASC Card is lost or stolen, the participant can quickly disable it with TASC Card Lock online or via the TASC mobile app. If found, simply unlock the card to use it again.

TASC Wallet

This convenient organizer offers mobile and web access to the TASC Card with features like:

Card Management. Stores image of TASC Card; lets participants lock a card, report lost/stolen cards, or request more cards.

Card Holder. Stores digital images of other important cards (insurance cards, rewards cards – even a gym membership card).

The TASC Card is backed with seamless cross-channel customer care. Participants can get the help they need to manage their benefits and TASC Card through our website, mobile app, or call center.

Minimum Annual Deposit: \$300
Maximum Annual Deposit: \$3300

Dependent Care FSA

What Is a Dependent Care FSA?

A Dependent Care FSA is an IRS tax-favored account you can use to pay for your eligible dependent day care expenses to ensure your dependents (child or elder) are taken care of while you and your spouse (if married) are working. These funds are set aside from your salary before taxes are deducted, allowing you to pay your eligible expenses tax-free.

Whose Expenses Are Eligible?

You may use your Dependent Care FSA to receive reimbursement for eligible dependent day care expenses for qualifying individuals.

A qualifying individual includes a qualifying child, if he or she:

- Is a U.S. citizen, national or a resident of the U.S., Mexico or Canada
- Has a specified family-type relationship to you
- Lives in your household for more than half of the taxable year is 12 years old or younger and
- Has not provided more than one-half of his or her own support during the taxable year

A qualifying individual includes your spouse, if he or she:

- Is physically and/or mentally incapable of self-care
- Lives in your household for more than half of the taxable year
- Spends at least eight hours per day in your home

A qualifying individual includes your qualifying relative, if he or she:

- Is a U.S. citizen, national or a resident of the U.S., Mexico or Canada
- Is physically and/or mentally incapable of self-care
- Is not someone else's qualifying child
- Lives in your household for more than half of the taxable year
- Spends at least eight hours per day in your home and
- Receives more than one-half of his or her support from you during the taxable year

NOTE: Only the custodial parent of divorced or legally-separated parents can be reimbursed using the Dependent Care FSA.

What Is My Maximum Annual Deposit?

- If you are married and filing separately, your maximum annual deposit is \$2,500.
- If you are single and head of household, your maximum annual deposit is \$5,000.
- If you are married and filing jointly, your maximum annual deposit is \$5,000.
- If either you or your spouse earn less than \$5,000 a year, your maximum annual deposit is equal to the lower of the two incomes.
- If your spouse is a full-time student or incapable of self-care, your maximum annual deposit is \$3,000 a year for one dependent and \$5,000 a year for two or more dependents.

When Are My Funds Available?

Once you sign up for a Dependent Care FSA and decide how much to contribute, unlike a Health Care FSA, your maximum contribution amount will not be available during the plan year, but rather after your payroll deductions are received.

To help you choose between the available taxable and tax-free benefits, or a combination of both, consult your tax adviser and/or the IRS for additional information.

You may also visit [irs.gov](https://www.irs.gov) and www.tasconline.com to complete a tax savings analysis.

How Do I Request Reimbursement?

With the Dependent Care FSA, your available balance increases as payroll deductions are made. Simply log in to your TASC account and click the request a reimbursement button and follow the steps for the fastest possible claims reimbursement. Alternatively TASC also has manual claim forms available by contacting Customer Care at 1-800-422-4661.

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Madison, WI 53707-7308

Accessing FSA Benefits



Customer Care offers you a variety of resources to make inquiries on your benefits and Flexible Spending Accounts (FSAs), including information from the TASC website and Customer Care.

On the Web and Mobile App

TASC's web and mobile tools ensure easy access, account management, and benefit fund security for our customers.

TASC Card Lock. All participants receive a TASC Card to access their benefit funds. If a card is lost or stolen, TASC Card Lock lets them disable a card in seconds from the TASC website or mobile app—and unlock it once it's found.

Fingerprint (Touch ID) and Facial Recognition. These capabilities protect participant account information without the hassle of remembering another password.

Picture to Pay. Take a picture of an eligible benefit expense then submit it via the TASC mobile app. There are no forms to fill out and no need to sign in to a website. Just click and submit and we'll take care of the rest.

Expense Eligibility Check. Not sure an item is eligible for reimbursement? Find out in seconds on the app. It's the quickest way to make sure benefits are being spent correctly.

Mobile Alerts¹. Participants are notified when we've received a request and when it's been paid, making it easy to stay on top of account activity and available funds.

¹Standard message and data rates may apply.

Pay the Provider. Instead of paying out of pocket and waiting to be reimbursed, participants can use their TASC Card to pay for eligible expenses, or they can use our convenient web payment feature. Simply scan or take a picture of the provider bill and upload it. TASC will then pay the bill directly from the appropriate benefit account.

Email Alerts. Participants are notified when requests are received and paid, making it easy to stay on top of account activity and available funds.

Seamless Account Management. Our website, mobile app, and customer care call center make it easy for participants to manage their account and get the support they need, anytime and anywhere! Plus, account information is connected across all

platforms, which means participants don't have to re-enter data or restart a process between devices.

Access to Individual Giving Accounts. TASC believes in giving back to the community and that's why every participant receives a complimentary giving account. They can designate a regular payroll deduction or do one-time transfers from their bank or MyCash account and select favorite charities to allocate donations to – all via the TASC website or mobile app. And with no fees to use the giving account, 100% of donations go to designated causes.

TASC Wallet. These user-friendly features make benefits management simple and fast:

- **ATM Locator.** Finds the nearest ATM to withdraw cash from MyCash account via TASC Card.
- **Card Management.** Stores image of TASC Card; lets participants lock a card, report lost/stolen cards, or request more cards.
- **Card Holder.** Stores digital images of other important cards (insurance cards, rewards cards – even a gym membership card).
- **Receipt Repository.** Keeps benefits-related receipts in one convenient place.