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 $2,700 per year in pre-tax money to cover eligible healthcare 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 funds available when you need them — and now, FSA Carryover up to $500.

MBA Administrators

PO Box 370 | Meridian, ID 83680
Phone (208) 888-2626
Fax (208) 887-1313
info@mba-admin.com