

Know Your Dependent Care Eligible & Ineligible Expenses!

Dependent Care Reimbursement

An eligible dependent is any dependent who is less than 13 years old and your dependent under federal income tax rules. An eligible dependent may also include your mentally or physically impaired spouse or a dependent that is incapable of caring for him or herself (for example, an invalid parent). The dependent must spend at least eight hours per day in your home.

Child Care services will qualify for reimbursement from the Dependent Care Reimbursement Account if they meet these requirements:

- The child must be under 13 years old and must be your dependent under federal tax rules. Note: If your child turns 13 during the year, you cannot stop your contribution at that time.
- The services may be provided inside or outside your home, but not by someone who is your minor child or dependent for income tax purposes (for example, an older child).
- If the services are provided by a day-care facility that cares for six or more children at the same time, it must be a qualified day-care center.
- The services must be incurred to enable you, or you and your spouse if you are married, to be employed.
- The amount to be reimbursed must not be greater than your income or the combined income of an employee and spouse, whichever is lower.
- Services must be for the physical care of the child, not for education, meals, etc.

Eligible Dependent Care Expenses

Allowable Dependent Care expenses include payments to the following when the expenses enable you to work*:

- Child Care Centers
- Family Day care providers
- Summer Day Camps
- Baby-sitters
- Nursery schools
- Caregivers for a disabled dependent or spouse who lives with you
- Household services, provided that a portion of these expenses are for a qualifying dependent incurred to insure the dependent's well-being and maintenance

Ineligible Dependent Care Expenses

- Dependent care expenses that are provided to one of your dependents by a family member, unless the family member is age 19 or over by the end of the year and will not be claimed as a dependent
- Expenses for food and clothing
- Education expenses from kindergarten on
- Health care expenses for your dependents.
- Overnight camps

EMPLOYER MAY REQUIRE TAX ID # FOR DEPENDENT CARE.

Dependent Care Expense may not be reimbursed in advance, i.e. Receipt is for September 1 to September 15. Receipt is submitted for reimbursement August 31. Payment will not be made until September 15th.

*Refer to IRS Publication 503 for additional information.



www.bphealthmt.com

1000 25th Street North
Great Falls, MT 59401

406-727-4969
800-406-4097
Fax 406-727-4979

email@bernpugh.com