

Dependent Care FSA for *Uniformed* Service Members



WHAT IS A DCFSA?

A Dependent Care Flexible Spending Account (DCFSA) is a pre-tax account used to pay for eligible dependent care services such as child or adult day care.



WHO IS IT FOR?

Enrollment in a DCFSA is open to DoD civilians, regular (active) component service members, and Active Guard Reserve members on Title 10 orders who have dependents with eligible expenses.



WHY ENROLL?

Keep more of your money in your pocket! Contributions go straight from your paycheck into your DCFSA before taxes are deducted. This reduces the amount of your income subject to taxes.

Dependent care costs can be high. A DCFSA can help you set aside earnings tax-free to pay for such expenses. Is a DCFSA right for your family?



QUICKLY DETERMINE ELIGIBILITY

- +** You must have an eligible dependent and use eligible dependent care services to allow yourself and your spouse (if applicable) to work, look for work or attend school full-time.
- +** Your dependent must be claimed on your tax return for the year you are enrolling in a DCFSA.
- +** If your spouse is a full-time student or incapable of self-care, for purposes of DCFSA eligibility, your spouse is considered to have \$250 per month in earned income for your first dependent, and \$500 per month in earned income if you have two or more dependents.

COMMON ELIGIBLE EXPENSES

- +** Preschool & After-School Care
- +** Day Care
- +** Day Camp

ELIGIBLE DEPENDENTS

-  Children under age 13 who are claimed as dependents for tax purposes
-  Spouse or dependent of any age who is physically or mentally incapable of self-care

INELIGIBLE EXPENSES

- ×** School tuition expenses (kindergarten and above)
- ×** Services provided by one of your dependents
- ×** Night-time babysitting (unless you work nights when the expenses are incurred)
- ×** Overnight camps
- ×** Nursing homes, medical care or other residential care centers

HOW MUCH CAN I CONTRIBUTE?

\$100-\$5,000 Pre-tax Earnings

- You may contribute a minimum of \$100 and a maximum of \$5,000 per household, or up to the amount of your total earnings if you earn less than \$5,000 per calendar year into a DCFSA.
- However, your marital and tax filing status may impact the amount you are able to contribute.

DEADLINES

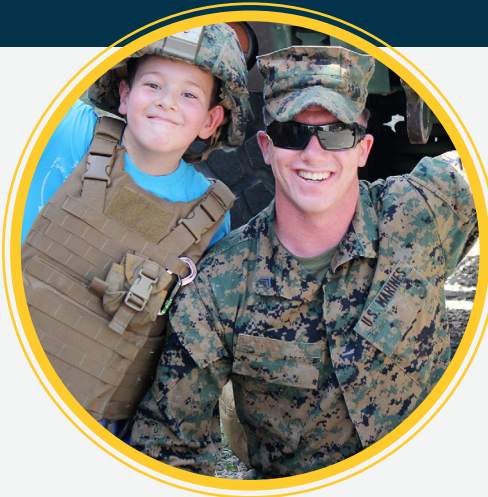
- You may only enroll in a DCFSA during the Federal Benefits Open Season, typically held mid-November through mid-December each year, or when you have experienced a Qualifying Life Event (QLE) such as the birth or adoption of a child, a divorce, or relocation.
- The DCFSA operates on a calendar year basis, starting January 1 and ending December 31.
- There is a grace period through March 15 of the following year to incur expenses. Claims can be submitted through April 30 of the following year.
- Any funds remaining in a DCFSA after April 30 of the following year are forfeited.



IT'S A TOOL THAT CAN HELP YOU KEEP MORE OF WHAT YOU EARN

The cost of day care for children or supervision for an aging parent can be a significant expense for many families. Use your DCFSA to pay for out-of-pocket eligible expenses tax-free.

"I am a regular (active) component E-3 with a new baby. My spouse is going to school and works part-time, and we use a babysitter so that we can both work and study. We are wondering if contributing to a DCFSA will provide any real financial benefit to our family? Is a DCFSA right for us?"



Good news! You are eligible as both you and your spouse have earned income and you have an eligible dependent.



A DCFSA can be used to pay for child care expenses so that you and your spouse can work, study, and look for work.



You may notice a small increase in your net pay throughout the year due to a decrease in the amount of taxes deducted from your pay.

A FEW THINGS TO CONSIDER

While a DCFSA can help you save on eligible dependent care expenses, it may not be right for everyone. Additional resources are available to help you make the decision that's right for you and your family:

- +** A financial planning professional can help you consider your options and assist you with budget and cash flow planning to enable you to best take advantage of the DCFSA benefit. Connecting with a financial planning professional is easy and free for service members and their families.
- +** A tax consultant can help you examine your family's tax situation and how a DCFSA might benefit you. Service members and their families have access to free tax consultation from MilTax via Military OneSource.

Enroll at: FSAFEDS.gov/enroll



Scan the QR code to learn more about the DCFSA and the options available to you, or visit MilitaryOneSource.mil/DCFSA

10 WAYS TO USE YOUR DCFSA

Need ideas for ways to spend your remaining Dependent Care Flexible Spending Account (DCFSA) funds? Use this guide. Remember, to avoid forfeiting funds, **all expenses must be incurred by March 15, and all claims must be submitted by April 30** of the following year. Visit [FSAFEDS.com/explore/usmdcfsa](https://www.fsaFEDS.com/explore/usmdcfsa) to learn about eligible expenses and more.



Learning Workshops

1

Learning workshops or classes during school breaks (e.g. coding camp, foreign language classes, etc.) are covered by your DCFSA.

2

Before and After School Programs

If you work extended hours and need additional care for your school-aged children, consider using a DCFSA to help pay for such flexible childcare options.



3

Transportation Fees

The cost of transporting your dependent to and from eligible care is a covered expense if the transportation is offered by that provider.



4

Summer Camp

As school doors close, parents are on the lookout for engaging activities to keep kids occupied. Use your DCFSA to help fund summer plans for your children. This does **not** include overnight camps.



5

Overnight Care

This occurs when Service members are on exercises, ships underway, etc. In these instances, overnight care costs are eligible for coverage, as long as you provide documentation that verifies the care enables you and your spouse (if applicable) to work.

6

Preschool Tuition

For the little ones who can't yet attend school, preschool is considered an eligible expense under the DCFSA program. Use your DCFSA to help your little ones get a jump start on their education.



7

Emergency Child Care

Unexpected TDY or shift changes? Use your DCFSA for immediate, emergency child or adult care services.

8

Au Pair/Nanny

Your DCFSA can be used to pay for expenses related to employing your nanny or Au pair, as long as the care is for an eligible dependent (e.g. a child under the age of 13).



Babysitting By Your Family Member

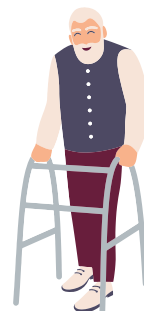
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You can use your DCFSA to pay a babysitter who is your family member as long as the babysitter is not your tax dependent.

10

Adult Day Care

Have an elderly parent or incapacitated dependent that you provide care for? Day care and other similar non-medical adult care programs are eligible expenses under a DCFSA.



VISIT FINRED
TO LEARN MORE



DEPENDENT CARE
FLEXIBLE SPENDING ACCOUNT



U.S. Department of Defense



DCFSA CLAIMS 101

A Service Member's Guide to Claim Submissions

To be reimbursed for your Dependent Care Flexible Spending Account (DCFSA) eligible expenses and avoid forfeiting funds, you must submit a claim. Use the below guide to learn everything you need to know about submitting a claim.

HOW IT WORKS

Understanding and managing your DCFSA is easy as outlined in the below **four** simple steps.

1

ENROLL

- Enroll in a DCFSA on [FSAFEDS.com](https://www.fsaFEDS.com)
- Decide the amount you'd like to contribute

2

FUNDS DEPOSITED INTO DCFSA

- Funds are withdrawn from your pay before taxes are deducted
- Those funds are then deposited into your DCFSA

3

FILE A CLAIM

- Spend the money in your account on DCFSA eligible expenses and submit a claim for reimbursement
- Claims are processed in 1-2 business days

4

GET REIMBURSED

Once your claim is approved, you will be reimbursed for expenses, typically by direct deposit or check

TO FILE A CLAIM

FSAFEDS offers simple and easy ways to submit claims for reimbursement.

1



ONLINE

2



VIA FSAFEDS APP

3



MAIL OR FAX*

*visit [FSAFEDS.com](https://www.fsaFEDS.com) for more information on how to submit a claim by mail or fax

RECEIPT REQUIREMENTS



Save your receipt. Whichever method you choose to submit a claim, you will be required to provide necessary documentation such as a receipt. **Documentation/receipts must include the following:**



Dependent's Name

Name of the person who received the service



Type of Service

Description of the service provided



Provider's Name

Provider that delivered the service



Cost

Amount paid for the service or product



Date of Service

Date when services were provided



PRO TIP:

FSAFEDS accepts handwritten receipts, just make sure it contains a signature and the above required information.

HOW TO SUBMIT YOUR CLAIM

The mobile app is the easiest way to submit a claim as outlined in the below step-by-step instructions. Submitting a claim online is another fast and easy option, visit FSAFEDS to find out how.



PRO TIP:

You can track the status of your claims through your FSAFEDS account including updates about approval and reimbursement.



ON THE MOBILE APP

Download the App

On your mobile device, navigate to the App store or Google Play store and download the FSAFEDS mobile app.

1

2

Login to Your Account

Log into your FSAFEDS account using the same username and password as your online account.

Start a New Claim

Navigate to the claim section and select the option to start a new claim.

3

4

Upload Documents

Fill out all necessary details including the date of service, expense type, and any required documents (e.g. receipts).

Review & Submit Claim

Review provided information and submit your claim. You will receive a confirmation message once successfully submitted.

5



REIMBURSEMENT OPTIONS

NOTE: FSAFEDS does not offer a debit card for DCFSA expenses.

1

Pay Me Back — Check

Have a check mailed to you after a claim has been processed and approved.

3

Pay My Provider

Arrange for FSAFEDS to send payments directly to your dependent care provider via your online account.

2

Pay Me Back — Direct Deposit

Set up direct deposit, and once a claim has been processed and approved, your reimbursement will be deposited directly into your bank account.



PRO TIP:

Keep in mind that expenses are eligible to claim, starting on the date of service rather than the date of payment.

Visit [FSAFEDS.com/explore/usmdcfsa](https://www.fsaFEDS.com/explore/usmdcfsa) for more details about filing claims and managing your DCFSA account.