

## Health Savings Account (HSA)

For calendar year 2018, the annual limitation on deductions for an individual with self-only coverage under a high deductible health plan is \$3,450 and for an individual with family coverage it is \$6,900. The “high deductible health plan” annual deductible cannot be less than \$1,350 for self-only coverage or \$2,700 for family coverage, and the annual out-of-pocket expenses cannot exceed \$6,650 for self-only coverage or \$13,300 for family coverage. You can read the full details in the IRS publication - <https://www.irs.gov/pub/irs-drop/rp-17-37.pdf> .

The catch-up contribution allowed for those 55 and over is remains at \$1,000. Remember, qualifying HDHPs and no other impermissible coverage (such as coverage under another employer’s plan or from a health care flexible spending account that is not specifically compatible with an HSA) are required in order to fund an HSA.

	2016	2017	2018
Minimum deductible amounts for the qualifying high deductible health plan (HDHP)			
Individual coverage	\$1,300	\$1,300	<b>\$1,350</b>
Family coverage	\$2,600	\$2,600	<b>\$2,700</b>
Maximum contribution levels			
Individual coverage	\$3,350	\$3,400	<b>\$3,450</b>
Family coverage	\$6,750	\$6,750	<b>\$6,900</b>
Catch up allowed for those 55 and over	\$1,000	\$1,000	<b>\$1,000</b>
Maximums for HDHP out-of-pocket expenses			
Individual coverage	\$1,300	\$6,550	<b>\$6,650</b>
Family coverage	\$2,600	\$13,100	<b>\$13,300</b>

## Healthcare FSA

Per IRS regulations, pretax employee contributions to Health Flexible Savings Accounts (FSAs) contribution limit will be \$2,650, an increase of \$50 from the 2017 limits.

Health FSA	2016	2017	2018
Maximum Annual Contribution Limit	\$2,550	\$2,600	\$2,650

## Dependent and/or Child Daycare Expenses

The 2017 cafeteria plan daycare contribution limit is \$5,000 for a married couple filing a joint return, or for a single parent filing as "Head of Household." For a married couple filing separate returns, the limit is \$2,550 each. The daycare credit is reduced dollar for dollar by contributions to or benefits received from an employer's cafeteria plan. An employee may participate in their employer's cafeteria plan and take a portion of the daycare expenses through the credit if they have sufficient expenses in excess of their cafeteria plan annual election, but within the tax credit limits. 2018 Limits will remain the same as 2017.

Dependent Care FSA	2016	2017	2018
Maximum Annual Contribution Limit; married and filing jointly or single parent	\$5,000	\$5,000	\$5000
Maximum Annual Contribution Limit; married and filing separate	\$2,500	\$2,500	\$2500

## Commuter Accounts

The monthly commuter benefit limits for both mass transit and parking will increase by \$5 in 2018, for a maximum monthly contribution limit of \$260.

Transit Benefits	2016	2017	2018
Parking - monthly limit	\$255	\$255	\$260
Transit and Vanpooling - monthly limit	\$255	\$255	\$260

## Standard Mileage Rates for Business, Medical and Moving

The IRS has not yet released the standard mileage rates for 2018. Beginning on Jan. 1, 2017, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 53.5 cents per mile for business miles driven, down from 54 cents for 2016
- 17 cents per mile driven for medical or moving purposes, down from 19 cents for 2016
- 14 cents per mile driven in service of charitable organizations

## Qualified Small Health Reimbursement Arrangements (QSEHRAs)

The employer contribution limits for qualified small HRAs in 2018 are \$5,050 for single employees or \$10,250 for families.

QSEHRAs	2017	2018
Qualified Small Health Reimbursement Arrangements (QSEHRAs) limit		
Individual coverage	\$4,950	\$5,050
Family coverage	\$10,000	\$10,250