



Dependent Care Assistance Program FSA (DCAP)

Plan Summary Fact Sheet

The DCAP is a valuable employee benefit. Regulated by the IRS, this program lets you pay for eligible dependent care expenses with pre-tax dollars. In other words, the money you deposit into the DCAP will never be taxed. That saves you money on every dollar you set aside. You can save as much as 30% on dependent care expenses by participating.

Progressive Benefit Solutions (PBS) recognizes that it has become increasingly difficult to pay for these expenses while you are employed. It is for this reason that PBS, under the provisions of C.G.S. Section 5-264(b), makes available to you a benefit program that offers significant tax advantages in helping you pay for qualified dependent care expenses.

The DCAP benefit program provides for the following:

- An annual pre-tax maximum election amount of up to \$5,000.00
 - Note: Participant's dependent care costs may exceed the YTD amount deductions submitted to PBS, necessitating split payments
- The DCAP payroll deductions can be used to covers expenses for a qualified dependent, defined as
 - Child(ren) under age 14 whom you are entitled to claim as dependents on your federal income tax return; and/or
 - Participant's spouse or any dependent living in household who is physically and/or mentally incapable of self-care who spends at least eight hours a day in your home
- Qualified dependent care expenses include:
 - Care at licensed nursery schools, day camps (not overnight camps) and child care centers which provide day care.
 - Services from individuals - other than your or your spouse's dependent or children under age 19 who provide care in or outside your home.
- Participants need to save all receipts because Dependent Care FSAs are IRS-regulated benefits and may require submission of receipts to verify expenses
- Dependent Care FSA funds become available as they are deducted from the paycheck and submitted to PBS

Please contact PBS at 203-985-1711 if you have any additional questions.