

bailey benefit news

FSA Limit Increasing for 2017

Yesterday, the IRS announced in Revenue Procedure 2016-55 the annual inflation adjustments for more than 40 tax provisions for 2017, including the tax rate schedules, and other tax changes. This Revenue Procedure provides details about these annual adjustments.

There are several benefit adjustments for 2017 including:

- The annual dollar limit on employee contributions to employer-sponsored healthcare flexible spending arrangements (FSA) has increased.
- The amount for adoption credit or the amount excluded for adoption assistance allowed for an adoption of a child with special needs has increased.

Flexible Spending Accounts		
	2016	2017
Healthcare Flexible Spending Account	<u>\$2,550</u>	<u>\$2,600</u>
Dependent Daycare Account	\$5,000	\$5,000
Adoption Assistance	<u>\$13,460</u>	<u>\$13,570</u>

For a copy of Revenue Procedure 2016-55 please click on the link below.

<https://www.irs.gov/pub/irs-drop/rp-16-55.pdf>

