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Benefit Plan Limits for 2014

November 21, 2013

Recently, the Internal Revenue Service (IRS) announced new monthly limits on qualified transportation fringe benefits that an employer can provide its employees on pretax basis. We wanted to take this opportunity to share with you all the 2014 limits that might apply to your plan offerings.

Commuter Choice - Parking and Transit Reimbursement Accounts

These new limits should be applied to any payroll deductions you have after January 1, 2014.

- 2014 Qualified Parking pre-tax monthly limit: $250 (a $5 increase from 2013 limit)
- 2014 Mass Transit pre-tax monthly limit: $130 (a $115 decrease from 2013 limit)
- The substantial decrease in the transit pre-tax limit is due to the expiration of the temporary "rule of parity" that made the combined limit for transit and vanpooling the same as the parking limit for 2012 and 2013. Congress could yet extend the rule of parity to 2014 and we will keep you posted if and when this does change.

Flexible Spending Accounts (FSA)

- Health Care Reimbursement Accounts (HCA): No change. The dollar limitation on employee salary reduction contributions to health FSAs remains at $2,500 for 2014.
- Dependent Care Reimbursement Accounts (DCA): No change. The dollar limitations on employee salary reduction contributions to Dependent FSA's remains at $5,000/ $2,500 for 2014.

Health Savings Accounts (HSA)

The IRS released the inflation-adjusted HSA contributions and High Deductible Health Plan (HDHP) minimum deductible and out-of-pocket limits.

	Coverage Level	2013	2014
	Individual	$3,250	$3,300

HSA Contribution Amounts	Family	$6,450	$6,550
	Catch-up*	$1,000	$1,000
Max Out-of-Pocket HDHP Amounts	Individual	$6,250	$6,350
	Family	$12,500	$12,700
Min HDHP Deductible Amounts	Individual	$1,250	$1,250
	Family	$2,500	$2,500

*An additional $1,000 catch-up contribution may be made for an Account holder who is at least age fifty-five (55) or older and not enrolled in Medicare.

If you would like to talk about plan changes or adjustments please contact your Account Manager. If you don't know your Account Manager please contact us at 888-401-3539.

Please contact Benefit Strategies at our toll free number for more information.

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