

Contributions to an FSA

You may contribute to your FSA by electing an amount to be voluntarily withheld from your pay. This is sometimes called a salary reduction agreement.

You do not pay federal income tax or FICA or FUTA taxes on the salary you contribute.

When to Contribute

At the beginning of the plan year, you must designate how much you want to contribute. Then, your amount will be deducted (generally, every payday) in accordance with your annual election. You can change or revoke your election only if there is a change in your employment or family status that is specified by the plan.

Amount of Contribution

For 2021, salary reduction contributions to Siloam Springs School District health FSA can't be more than \$2,750 a year. This amount is indexed for inflation and may change from year to year. Generally, contributed amounts that are not spent by the end of the plan year are forfeited. For this reason, it is important to base your contribution on a conservative estimate of the qualifying expenses you will have during the year.

Balance in an FSA

For 2021, you may "roll-over" up to \$550 of unused amounts remaining at the end of the plan year to be paid or reimbursed for qualified medical expenses you incur in the following plan year.

Any unused amounts in excess of the carryover amount are forfeited. The carryover does not affect the maximum amount of salary reduction contributions that you are permitted to make.