



FlexToday News Briefs

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Rates and Limits - Updated October 16, 2008

Description	Plan Year		
	2009	2008	2007
Medical Flex Spending Account	No statutory limit. Contribution limits determined by Employer plan design		
Dependent "Day Care" Contribution Limits			
Head of Household or Married Filing a Joint Tax Return	\$5,000	\$5,000	\$5,000
Married Filing Separate Tax Returns	\$2,500	\$2,500	\$2,500
Pre-tax Premiums	No statutory limit. Contribution limits determined by Employer plan design		
Commuter Choice / Qualified Transportation Fringe Benefits			
Mass-Transit and Vanpool (combined limit)	\$120/month	\$115/month	\$110/month
Parking	\$230/month	\$220/month	\$215/month
Health Savings Accounts (HSA) Contribution Limits			
Self-Only Coverage	\$3,000	\$2,900	\$2,850
Family Coverage	\$5,950	\$5,800	\$5,650
Catch up Contributions for individuals age 55 or older	\$1,000	\$900	\$800
For plan years beginning after 12/31/2006, individuals who are eligible individuals on the first day of the last month of the taxable year (December 1 st for most taxpayers) are allowed the full annual contribution (plus catch up contribution, if 55 or older by year end), regardless of the number of months the individual was an eligible individual in the year. For individuals who are no longer eligible individuals as of December 1 st each year, both the HSA contribution and catch up contribution apply pro rata based on the number of months of the year a taxpayer is an eligible individual.			
Miscellaneous Limits and Definitions			
Medical Mileage Expense Rate	Not Yet Released	01/08 to 06/08 \$19/mile 07/08 to 12/08 \$27/mile	\$.20/mile
Social Security Wage Base (OASDI)	\$106,800	\$102,000	\$97,500
Highly Compensated Definition	\$110,000	\$105,000	\$100,000
Key Employee Definition	\$160,000	\$150,000	\$145,000

Sources: <http://www.irs.gov/pub/irs-drop/rp-08-66.pdf> <http://www.irs.gov/newsroom/article/0,,id=187833,00.html>

COMMENTARY: The 2008 Commuter Choice maximum deduction/contribution amounts for payroll purposes:				
Payroll Schedule	Weekly 52/year	Biweekly 26/year	Semi-monthly 24/year	Monthly 12/year
Mass-Transit	\$27.65	\$55.35	\$60.00	\$120.00
Parking	\$53.05	\$106.15	\$115.00	\$230.00