

# Dependent Care Expenses Worksheet

In determining whether to participate in the Dependent Care Flexible Spending Account, you should consider the dependent care Income Tax Credit. Whether the tax credit or the spending account is more advantageous is dependent upon each individual's tax situation.

The Dependent Care Income Tax Credit and the Dependent Care Flexible Spending Account interact with various other tax laws concerning items of income, losses, deductions and credits. Consult a tax advisor for more information regarding your individual tax situation.

## Taking the Income Tax Credit on Form 1040:

- Your Annual Eligible Expenses:  
(\$3,000 maximum for 1 child;  
\$6,000 maximum for 2 or more children) \$ \_\_\_\_\_ / Year
- Your Tax Credit Percentage:  
(use chart below to determine percentage) x \_\_\_\_\_ %

<b>Adjusted Gross Income</b>	<b>Credit %</b>	<b>Adjusted Gross Income</b>	<b>Credit %</b>
\$0 - \$15,000	35%	\$29,001 - \$31,000	27%
\$15,001 - \$17,000	34%	\$31,001 - \$33,000	26%
\$17,001 - \$19,000	33%	\$33,001 - \$35,000	25%
\$19,001 - \$21,000	32%	\$35,001 - \$37,000	24%
\$21,001 - \$23,000	31%	\$37,001 - \$39,000	23%
\$23,001 - \$25,000	30%	\$39,001 - \$41,000	22%
\$25,001 - \$27,000	29%	\$41,001 - \$43,000	21%
\$27,001 - \$29,000	28%	\$43,000 or higher	20%

- Your **Estimated** Tax Credit Savings: \$ \_\_\_\_\_ / Year

## Using the Dependent Care (Section 125) Flexible Spending Account Plan:

- Your Annual Dependent Care Expenses (\$5,000 maximum): \$ \_\_\_\_\_ / Year
- Your Tax Savings Percentage:  
(7.65% FICA + federal tax percentage from the chart below) x \_\_\_\_\_ %

<b><u>Head of Household</u></b>		<b><u>Married, Filing Joint</u></b>	
<b>Adjusted Gross Income</b>	<b>Tax %</b>	<b>Adjusted Gross Income</b>	<b>Tax %</b>
\$0 - \$9,800	10%	\$0 - \$22,600	10%
\$9,800 - \$31,500	15%	\$22,600 - \$66,200	15%
\$31,500 - \$69,750	25%	\$66,200 - \$120,750	25%
\$69,750 - \$151,950	28%	\$120,750 - \$189,600	28%
\$151,950 - \$328,250	33%	\$189,600 - \$333,250	33%
\$328,250 and higher	35%	\$333,250 and higher	35%

- Your **Estimated** Section 125 Flexible Spending Account Savings: \$ \_\_\_\_\_

This worksheet is provided for informational purposes only. Corporate Health Systems, Inc. does not guarantee its accuracy nor do we provide legal or accounting advice. If you have questions about participating in this plan, consult your attorney or tax advisor.