



# FSA Employee Tax Benefits

Here's an example of how a typical employee's take-home pay will increase as a result of participating in an FSA.

An employee makes \$2,000 each month and decides to participate in her employer's FSA Plan. She pays her insurance premiums and health and daycare expenses through the FSA with tax-free dollars. And, she is able to save \$100 each month!

## Your Paycheck without a Plan

Salary	\$ 2,000
FICA, federal, state taxes	- 500
Insurance premium	- 100
Health & daycare expense	- 300
<b>Net Pay without a Plan</b>	<b>\$ 1,100</b>

## Your Paycheck with a Plan

Salary	\$ 2,000
Insurance premium*	- 100
Health & daycare expenses*	- 300
Adjusted earnings	1,600
FICA, federal, state taxes	- 400
<b>Net Pay with a Plan \$</b>	<b>1,200</b>

\*Paid through the FSA plan.