

Dependent Day Care Flexible Spending Account Expense Eligibility List



The dependent day care FSA allows you to pay for qualified, employment-related, out-of-pocket day care expenses on a pre-tax basis, as long as you (and your spouse) require these services to work or look for work. This dependent day care FSA expense eligibility list will help you identify specific services and types of care that are eligible for reimbursement under your dependent day care flexible spending account (DC FSA). You can use the list to search for an expense you have a question about, and it will show you if that expense is covered under the DC FSA and if there are any restrictions on the eligibility of the expense. Although not every expense is listed here, these are the most common and serve as a guide to eligible expenses.

As additional information is available, this summary list will be updated, but the information is general and may change or be updated without notice. TriNet does not guarantee the accuracy of this list and it should be used for informational purposes only. Eligibility of expenses is based on several sources, including the federal government's FSA website (FSAfeds.com), IRS Publication 503, and Aetna. Expenses are determined to be eligible for DC FSA reimbursement depending on the TriNet plan document, which must comply with Internal Revenue Code rulings. If a difference occurs between this list and either TriNet's plan document or an Internal Revenue Code ruling, TriNet's plan document, in compliance with the Internal Revenue Code, will govern. As DC FSA regulations are constantly changing, this summary does not guarantee reimbursement, but can be used as a guideline for submitting claims.

If you have specific questions, you may call the TriNet Solution Center at 800.638.0461, Monday through Friday, 4:30 a.m.- 9 p.m. PT or email fsa@trinet.com. However, the TriNet Solution Center can provide advisory guidance only.

FSA Eligible Expense:

A check mark indicates that the expense is generally eligible for reimbursement. Required documentation must be submitted with the claim to be eligible for reimbursement.

Not Eligible:

The expense is not eligible for reimbursement under any circumstance.

Notes:

The expense may be eligible for reimbursement provided certain conditions or criteria as specified as a special rule in this section are satisfied and documented as indicated. This section may also include examples and/or additional clarification.

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Type of Service	Eligible Expense	Not Eligible	Notes
Activity fees		✓	
Adult day care	✓		The person must be a qualifying tax dependent of the DC FSA participant. Expenses cannot be attributable to medical care. The qualifying person must regularly spend at least eight hours each day in the participant's home, although the day care may be delivered in or outside the participant's home.
After-school care	✓		The cost of after-school care (i.e., following the end of the school day) is eligible for reimbursement. Activities (such as swimming lessons or arts and crafts) are not eligible expenses.
Agency fee	✓		Eligible when required to obtain the care and if the qualifying person has actually received that care.
Application fee	✓		Eligible when required to obtain the care and if the qualifying person has actually received that care.
Assisted living		✓	Not eligible because the qualifying dependent must reside in the participant's home at least eight hours per day.
Au pair	✓		
Babysitter	✓		The cost of a babysitter for work-related care, whether in or out of the home, is reimbursable. Note: The cost of the babysitter must not be for personal or social reasons.
Background check fee	✓		See: <i>Indirect expenses</i>
Before-school care	✓		Care before the start of the school day is eligible.
Boarding school		✓	The cost of tuition for kindergarten or higher-level education is not reimbursable.
Camp activities	✓		Separately-stated fees for non-elective activities required for day camp participation are eligible.
Camp, day	✓		Day camps, including specialized day camps such as soccer camp and computer camp, are eligible.
Camp, overnight		✓	Not reimbursable, even when the daytime portion is broken out.
Camp, summer or holiday (day)	✓		
Care at night	✓		The cost of care at night while the parent is working is eligible.
Care during a layoff or strike		✓	Because participant is not gainfully employed, payments are not reimbursable unless actively seeking employment.
Care during a short, temporary absence from work	✓		If the DC FSA participant must pay for dependent day care expenses on a periodic basis (e.g., participant weekly or monthly) and the absence is short and temporary (two weeks or less), the cost of care for a period that includes the absence and the work days is reimbursable. Note: The determination of an absence as short and temporary is based on the facts and circumstances of each person's situation.

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Care for disabled person	✓		Not including medical care which is covered by Health Care FSA.
Care when one parent works days and other parent works nights	✓		The cost of care when one parent is working and the other parent is sleeping is reimbursable when the care allows both parents to be gainfully employed.
Care when participant/participant's spouse is employed part-time	✓		For part-time employment, expenses must be allocated between days worked and days not worked. If payment for care is on a weekly or longer basis (i.e., must pay for care for days worked and days not worked), the cost does not have to be allocated.
Care while living in a foreign country	✓		For U.S. citizens working abroad, who are paid in U.S. currency, who file federal income taxes and who are eligible to participate in a dependent day care FSA, the cost of care is reimbursable if otherwise eligible. Because foreign care providers do not have SSN's or TIN's the participant should provide the caregiver's name and address. Note: The qualifying person must be a U.S. citizen or national or a resident of the U.S., Mexico or Canada.
Care while looking for work	✓		The cost of care while the participant or participant's spouse is looking for work is reimbursable if the person looking for work has earned income for the year and, if married, the other spouse is gainfully employed, looking for work, a full-time student, or mentally or physically incapable of self-care.
Care while on family, personal or medical leave		✓	Generally, the cost of care while the participant is on leave is not reimbursable. Note: Individual facts and circumstances must be reviewed as other factors (e.g., one spouse is gainfully employed while the other spouse is mentally or physically incapable of self-care) may qualify the expense for reimbursement.
Care while participant/participant's spouse is working at self-employment	✓		The cost of care while the participant or participant's spouse is self-employed with net earned income is reimbursable. Note: Self-employed persons are not eligible to participate in a dependent day care flexible spending account (DC FSA). However, a person participating in a DC FSA through his or her employer may also be self-employed (separately from his or her employer relationship).
Care while performing volunteer work		✓	
Child care placement fees	✓		Eligible when required to obtain the care and if the qualifying person has actually received that care.
Child day care	✓		Dependents under the age of 13 are eligible to incur day care expenses for reimbursement. Dependents age 13 and older are ineligible unless they are physically or mentally unable to care for themselves, regularly spend at least eight hours per day in participant's household, and can be claimed on participant's federal tax return.
Child of FSA participant, amounts paid to		✓	Payments made to a participant's child, stepchild or eligible foster child under age 19 for dependent day care are not eligible for reimbursement.

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Clothing		✓	
Convalescent home		✓	Not eligible because the qualifying dependent must reside in the participant's home at least eight hours per day.
Custodial care	✓		Expenses cannot be attributable to medical care and the qualifying person must regularly spend at least eight hours each day in the participant's home. Care must be provided while the participant is working, to enable the participant to work, or to look for work.
Dance lessons		✓	
Day camp	✓		
Day care, adult	✓		The person receiving care must be a qualifying dependent of the DC FSA participant. Expenses cannot be attributable to medical care. The qualifying person must regularly spend at least eight hours each day in the participant's home.
Day care center (children)	✓		The center must be licensed under and comply with all state and local laws if it cares for seven or more children.
Day care, child	✓		Dependents under the age of 13 are eligible to incur day care expenses for reimbursement. Dependents age 13 and older are ineligible unless they are physically or mentally unable to care for themselves, regularly spend at least eight hours per day in participant's household, and can be claimed on participant's federal tax return.
Dependent children under age 13	✓		Dependents under the age of 13 are eligible to incur day care expenses for reimbursement. Dependents age 13 and older are ineligible unless they are physically or mentally unable to care for themselves, regularly spend at least eight hours per day in the participant's household, and can be claimed on participant's federal tax return.
Dependent day care center (adult)	✓		A dependent day care center provides care for more than six persons (other than persons who live there). Expenses for dependent day care centers are eligible only if the center complies with all state and local regulations that apply to these centers.
Deposit	✓		If the qualifying person has not yet received the care, payments are not eligible for reimbursement. However, if the deposit is subsequently applied to services that have been provided it may be eligible as a service. Deposits that are forfeited are not reimbursable.
Education		✓	The cost of tuition, summer school, and tutoring programs for kindergarten or higher-level education is not eligible. However, expenses for before- or after-school care of a child in kindergarten or a higher grade may be eligible.
Elder care	✓		Expenses cannot be attributable to medical care. The qualifying person must regularly spend at least eight hours each day in the participant's home and must be claimed on the participant's federal tax return as a dependent.
Emergency daycare	✓		The cost of care at a sick-child facility is reimbursable.
Employer-provided on-site daycare	✓		The cost of on-site day care is reimbursable, even when the payment for care is payroll deducted.

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Employment taxes	✓		If participant pays someone to come to their home and care for participant's dependent or spouse, participant may be responsible for federal and state employment taxes, which are eligible expenses. (For more information, see IRS Publication 503 at http://www.irs.gov/pub/irs-pdf/p503.pdf)
Expenses claimed as tax credit		✓	Expenses already claimed as a dependent care tax credit on participant's federal tax return are not eligible for reimbursement.
Extended daycare or day program	✓		The cost of before- and after-school care (care before the start or after the end of the school day) for children up to age 13 is eligible.
Family or medical leave		✓	The cost of care when the participant is taking family or personal leave such as FMLA leave is not reimbursable unless the DC FSA participant must pay for dependent day care expenses on a periodic basis (e.g., weekly or monthly) and the absence is short and temporary (two weeks or less). The determination of an absence as short and temporary is based on the facts and circumstances of each person's situation.
FICA and FUTA taxes of daycare provider	✓		When the caregiver is actually an employee of the DC FSA participant, with respect to providing care, federal employment taxes (FICA, FUTA) and similar state payroll taxes are reimbursable.
Field trips	✓		Separately-stated fees for non-elective activities required for day camp participation are eligible.
Finance charges		✓	
Food		✓	Separately-stated fees for meals, snacks and other food are not reimbursable.
Forfeited deposits and fees		✓	A forfeited deposit is not for the care of a qualifying person if care is not provided.
Household services/ housekeeper	✓		Expenses for household services may be eligible if they are at least partly for the well-being and protection of a qualifying person. Household services are the ordinary and usual services done in and around participant's home that are necessary to run the home. They include the services of a housekeeper, maid, or cook, but do not include the services of a chauffeur or gardener. If part of an expense is work-related and part is for other purposes, the expense must be divided (the expense doesn't have to be divided if only a small part is for other purposes). For example, if a cook is preparing meals for the qualifying person and a non-qualifying person, such as an 11 year old and a 14 year old, those services may be eligible, but if the cook is providing meals for the entire family while the parent(s) are in the home, the services wouldn't be eligible.
Indirect Expenses	✓		When the expense is required to obtain the care, and if the qualifying person has actually received that care, indirect expenses are reimbursable. These expenses are incidental to the care of the person, but are not optional. They should be submitted along with the expense for the actual care. Examples include but are not limited to: agency fees; application fees; hold-the-spot fees; placement fees and deposits.
Kindergarten		✓	
Language classes		✓	
Late payment fees		✓	Fees for late payment of dependent day care services are not eligible.

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Late pick up fees	✓		Eligible if due to the participant or participant's spouse's work schedule or other work-related reason.
Lessons		✓	
Looking for work	✓		The cost of care while the participant or participant's spouse is looking for work is reimbursable if the person looking for work has earned income for the year and, if married, the other spouse is gainfully employed, looking for work, a full-time student or mentally or physically incapable of self-care.
Maid		✓	
Meals		✓	Separately-stated fees for meals, snacks and other food are not reimbursable.
Medical care		✓	
Nanny	✓		The additional cost of providing room, board and additional utility costs, over the usual household expense, to a nanny, an au pair, or other caregiver is eligible for reimbursement.
Night time care	✓		The cost of care at night while the parent is working is eligible. Care provided when one parent works during the day and the other parent who works at night sleeps during the day is also eligible during the hours when the parent who works at night is sleeping.
Nursery school	✓		The cost of nursery (i.e., pre-kindergarten) school is eligible.
Nursing home		✓	Not eligible because the qualifying dependent must reside in the participant's home at least eight hours per day.
On-site daycare, employer-provided	✓		The cost of on-site daycare is reimbursable, even when the payment for care is payroll deducted.
Overnight camp		✓	Not reimbursable, even when the daytime portion is broken out.
Parent of qualifying child, amounts paid to		✓	Payments for dependent day care services made to the parent of the qualifying child are not eligible for reimbursement.
Participant's child, stepchild or foster child, amounts paid to		✓	Payments for dependent day care services made to a participant's child, stepchild or eligible foster child under age 19 are not eligible for reimbursement.
Participant's dependent, amounts paid to		✓	Payments for dependent day care services made to any person who the participant or participant's spouse claims as a dependent are not eligible.
Payroll costs for provider	✓		When the caregiver is actually an employee of the DC FSA participant, direct payroll costs, including wages, federal employment taxes (FICA, FUTA) and similar state payroll taxes for the time spent in providing eligible dependent day care are reimbursable.
Piano lessons		✓	

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Placement fees	✓		Placement fees are eligible when required to obtain the care and if the qualifying person has actually received that care. Fees that are forfeited are not reimbursable.
Prepaid fees		✓	If the qualifying person has not yet received the care, payments are not eligible for reimbursement. If a prepayment is subsequently applied to services that have been provided it may be eligible. Fees that are forfeited are not reimbursable.
Preschool	✓		The cost of preschool (i.e., pre-kindergarten) is eligible.
Private school tuition		✓	The cost of tuition for kindergarten or higher-level education is not reimbursable.
Recreation fees		✓	Separately-stated fees for recreational activities and supplies are not reimbursable.
Registration fee	✓		Registration fees are eligible when required to obtain the care and if the qualifying person has actually received that care. Fees that are forfeited are not reimbursable.
Relative, amounts paid to	✓		Generally, payments made for dependent day care services to a relative such as a grandparent, aunt or cousin are reimbursable. Payments made to participant's spouse, parent of the qualifying child, participant's child, stepchild or eligible foster child under age 19, or any person who the participant (or participant's spouse) claims as a dependent are not eligible.
Room and board	✓		The additional cost of providing room, board and additional utility costs, over the usual household expense, to an au pair, nanny or other caregiver is eligible for reimbursement.
School tuition		✓	The cost of tuition for kindergarten or higher-level education is not reimbursable.
Security system for the home		✓	The cost of household services are not reimbursable.
Self-employment	✓		The cost of care while the participant or participant's spouse is self-employed with net earned income is reimbursable. Self-employed persons are not eligible to participate in a dependent day care flexible spending account (DC FSA). However, a person participating in a DC FSA through his or her employer may also be self-employed (separately from his or her employer relationship).
Senior day care	✓		Expenses cannot be attributable to medical care and the qualifying person must regularly spend at least eight hours each day in the participant's home and must be claimed on the participant's federal tax return as a dependent. Care can be provided in participant's home or other location.
Sick-child facility	✓		
Sick employee	✓		If the DC FSA participant must pay for dependent day care expenses on a periodic basis (e.g., weekly or monthly) and the absence is short and temporary (two weeks or less), the cost of care for a period that includes the absence and the work days is reimbursable. The determination of an absence as short and temporary is based on the facts and circumstances of each person's situation.
Snacks		✓	Separately-stated fees for meals, snacks and other food are not reimbursable.

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Specialized day camp	✓		Specialized day camps such as soccer and computer camp are eligible for reimbursement. Separately-stated fees for elective recreational activities and supplies are not reimbursable, but separately-stated fees for non-elective activities required for day camp participation are reimbursable.
Specialized daycare	✓		
Sports camp	✓		Specialized day camps such as soccer and other sports camps are eligible for reimbursement. Separately-stated fees for elective recreational activities and supplies are not reimbursable, but separately-stated fees for non-elective activities required for day camp participation are reimbursable.
Spouse of participant, amounts paid to		✓	Payments made to participant's spouse for dependent day care services are not eligible.
Summer camp	✓		Day camps are eligible, but overnight camps are not reimbursable, even when the daytime portion is broken out.
Taxes	✓		When the caregiver is actually an employee of the DC FSA participant, with respect to providing care, federal employment taxes (FICA, FUTA) and similar state payroll taxes are reimbursable.
Termination, expenses incurred after	✓		If an employee terminates participation in the DC FSA plan before the end of the plan year, eligible expenses may be incurred after termination up to the balance remaining on the date of termination, or until the last day of the plan year, whichever is reached first. No additional contributions can be made.
Transportation and travel expenses	✓		If a care provider takes a qualifying person to or from a place where care is provided, that transportation is for the care of the qualifying person. This includes transportation by bus, subway, taxi, or private car. However, transportation not provided by a care provider is not for the care of a qualifying person. Also, the transportation cost for the care provider to come to participant's home is not for care of a qualifying person and is not eligible.
Tuition, kindergarten or higher		✓	The cost of tuition for kindergarten or higher-level education is not reimbursable.
Tuition, nursery school or preschool	✓		The cost of nursery school or preschool (i.e., pre-kindergarten) is reimbursable.
Tutoring		✓	The cost of tutoring for kindergarten or higher-level education is not eligible.
Unemployment	✓		The cost of care while the participant or participant's spouse is looking for work is reimbursable if the person looking for work has earned income for the year and, if married, the other spouse must be gainfully employed, looking for work, a full-time student or mentally or physically incapable of self-care.
Vacation	✓		If the DC FSA participant must pay for dependent day care expenses on a periodic basis (e.g., weekly or monthly) and the absence is short and temporary, the cost of care for a period that includes the absence and the work days is reimbursable. An absence of 2 weeks or less is a short, temporary absence.
Volunteer work		✓	