



Reading
Flexible Spending Account -Open Enrollment
 Plan year 1/1/2014-12/31/2014
 (Expenses must be incurred between these dates)
Open Enrollment 10/22/2013 – 11/25/2013

“It’s not what you earn, it’s what you keep that counts”

The Flexible Spending Account is a tremendous opportunity for you to enhance your benefits package. Your employer knows that this is a highly beneficial program and wants you to have the opportunity to participate in a Flexible Spending Account for a **minimal yearly fee of \$60.00**.

Most employees pay for expenses such as dependent care expenses, out-of-pocket medical/dental expenses, prescription drug co-payments etc, on an after tax-basis. The Flexible Spending Account allows you to set aside a portion of your paycheck tax free to pay for those expenses. The result is a reduction in Federal, State and Social Security taxes, which will give you an increase in your take home pay.

Don't miss out on this opportunity to save between 28-41% in taxes.

MEDICAL FLEXIBLE SPENDING ACCOUNT (FSA)

The Medical FSA allows you to set aside **up to \$2,500** pre-tax from your paycheck to pay for expenses not covered by insurance. Some examples of these out-of-pocket expenses are:

Dental: Orthodontia/Crowns/Fillings/Dentures/Cleanings/X-rays

Co-pays: Doctor Visits/Prescriptions/Deductibles

Medical: Chiropractor/Psychologist Fees/Orthopedic Expenses/Hearing Aides

Vision Care: Contact Lenses/Contact Solution/Eye Glasses/Laser Eye Surgery/Eye Exam

Over-the-Counter Medications: **No longer eligible due to the Health Care Reform Act as of 1/1/11.** Only reimbursable when receipt is accompanied by a prescription from the Physician.

DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT (FSA)

The Dependent Care FSA is a great tax savings for people who have children in daycare or parents who require elder care. The IRS allows you to set aside up to **\$5,000** per calendar year pre-tax from your paycheck to pay for these expenses. In most instances participation in the Dependent Care FSA results in a greater tax savings than the Dependent Care Tax Credit (we recommend you speak with your tax advisor to determine which would provide the greatest tax benefit for you). Some examples of eligible Dependent Care Expenses are: *Daycare, Before School Care, Summer Day Camp Pre-School and After School Care*

HOW TO ENROLL

CURRENT PARTICIPANTS can enroll online at www.cpa125.com by creating a new account on our updated website or by sending in an enrollment form

NEW PARTICIPANTS can enroll by sending in an enrollment form. The enrollment form can be found on our website under FORMS-download.

If you have any questions or would like to enroll in person, a representative will be available at the **Selectmen’s Meeting Room, Town Hall on TUESDAY, NOVEMBER 19TH between 3pm-4:30pm**

Cafeteria Plan Advisors, Inc. of Braintree, MA, is a leader in the administration and implementation of Cafeteria Plans. Cafeteria Plan Advisors, Inc. currently services over 200 municipalities, public and private school systems along with many corporations.

If you have any questions please visit www.cpa125.com or e-mail Karen@cpa125.com

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AUTHORIZATION FOR PRE-TAX PAYROLL REDUCTION

Form must be returned to Cafeteria Plan Advisors by: 11/25/2013

Personal Information

Employer: **READING**

Name:

Street:

Plan Year: 01/01/2014- 12/31/2014

City, ST, Zip:

SSN:

DOB:

E-Mail:

Phone:

Payroll Information

I am paid: Bi-Weekly 26: Bi-Weekly 21:

I am a: Municipal Employee: School Employee: Light Department:

Benefits Selected

FSA Dependent/ Day Care Account

I elect to contribute \$ _____ for the Plan Year.
(\$5,000 maximum)

Confirm eligibility criteria prior to enrolling.

FSA Medical/Dental Care Account

I elect to contribute \$ _____ for the Plan Year.
(\$2,500 maximum)

Do not include insurance premiums.

FSA Administrative Fee: \$60.00 for the Plan Year.

Direct Deposit Information (Required if not on file with Cafeteria Plan Advisors, Inc.)

I hereby authorize Cafeteria Plan Advisors, Inc. to deposit my claim reimbursements directly to my bank. I also authorize drafts to adjust any over deposits that were credited to my account in error. I will contact Cafeteria Plan Advisors, Inc. immediately with any bank information changes.

Name of Bank:

Checking Savings

Check Routing Number (9 digits):

Account Number:

Certification

I hereby authorize a salary reduction agreement for the amount(s) shown above. I understand that:

- Cafeteria Plan Advisors, Inc. will hold these funds until eligible expenses are incurred and a claim is submitted. Funds may be forfeited in accordance with IRS Publication 969 if eligible expenses are not submitted for reimbursement by plan year deadline or purchased utilizing the provided debit card (if applicable).
- Dependents must qualify under regulations set forth in IRC sections 152 and 129.
- Expenses generally must be consistent with allowable medical deductions under IRS Publication 969.
- This election cannot be revoked or changed during the plan year without a qualifying event as defined by the IRS.
- **Current participants must re-enroll each plan year.**
- **Dependent Care Plan Participants only:** I, the undersigned, certify that I have read the Dependent Care Reimbursement Plan Guidelines (www.cpa125.com) and meet all requirements necessary to participate in the FSA Dependent Care plan. The undersigned agrees to notify the plan administrator in writing within 30 days should the undersigned no longer meet eligibility as mandated by the IRS. Dependents must qualify under IRC section 152.

Signature:

Date: