

COMPARING TAX PREFERENCED BENEFIT LINES: HRA, HSA, MEDICAL FSA, DEPENDENT CARE FSA & COMMUTER BENEFITS

	HRA	HSA	MEDICAL FSA	DEPENDENT CARE FSA	COMMUTER BENEFITS
DEFINITION	An employer-owned & employer-funded Health Reimbursement Arrangement is designed to help members bridge the gap on eligible health expenses.	Health Savings Accounts let you accumulate pre-tax money to pay for qualified medical expenses.	This employer-established Flexible Spending Account allows for tax-free reimbursement of qualified medical expenses for you and your dependents.	This employer-established Flexible Spending Account allows for tax-free reimbursement of childcare (for children under 13) & elder care expenses, as well as expenses for a disabled spouse or disabled dependents of any age.	A Commuter Reimbursement Account (CRA) is an employer-sponsored benefit allowing employees to use pre-tax dollars to pay for eligible mass transit and parking expenses associated with their work commute.
ELIGIBILITY	All full-time employees with the possibility of including part-time employees. Owner eligibility depends on business entity type.	Any employee who is enrolled in an HSA-qualified high deductible health plan (HDHP) with no other major medical coverage.	All employees, not self-employed.	All employees, not self-employed.	Employers in NJ, NYC, and SF with 20 employees or more must offer pre-tax transportation benefit accounts to all employees.
OWNERSHIP	Employer (held in employee's name)	Employee	Employer	Employer	Employer
WHO CAN CONTRIBUTE?	Employer	Employer, member, employee, or family	Employee, employer (may contribute under certain limited circumstances)	Employee, employer (may contribute under certain limited circumstances)	Employee, employer (may contribute under certain limited circumstances)
CONTRIBUTION LIMITS	None	2022: \$3650 self-only \$7,300 family Catch-up 55+ \$1,000 2021: \$3600 self-only \$7,200 family Catch-up 55+ \$1,000	2022: \$2,850 per plan year (per person) 2021: \$2,750 per plan year (per person)	2022: \$5,000 max election per household 2021: \$10,500 for individuals or married couples filing jointly or \$5,250 for a married person filing separately	2022: \$280 (transit); \$280 (parking) 2021: \$270 (transit); \$270 (parking)
ARE CONTRIBUTIONS TAX DEDUCTIBLE?	YES	YES	YES	YES	YES
ARE DISTRIBUTIONS TAX-FREE?	YES	Yes, when used for a qualified medical expense	YES	YES	YES
DO FUNDS CARRY OVER?	Permitted at employer's discretion – though generally inadvisable	YES	Varies by plan. Limited rollover may be allowed at employer's discretion	Varies by plan. Limited rollover may be allowed at employer's discretion	YES
IS THE ACCOUNT PORTABLE AFTER TERMINATION OF EMPLOYMENT?	Permitted at employer's discretion – though generally inadvisable	YES	NO	NO	NO

