

# CLIENT | ALERT



Client Alert Applies To: Self-Funded, Fully-Funded, Small Group, & Large Group

November 19<sup>th</sup>, 2018

## 2019 FSA Deferral Limit Announced

On November 15th, the IRS announced that the 2019 limit on employee salary deferrals into a health flexible spending account (commonly called a health "FSA") will be \$2,700, a \$50 increase from the 2018 limit of \$2,650. Health FSA contribution limits apply on an individual as opposed to a family basis, meaning if both spouses work and have access to a FSA, each could contribute up to the maximum limit.

Note that while the FSA limit sets the maximum deferral an employer can allow, an employer sponsoring a health FSA can choose a lower salary deferral limit for its plan if it wishes. If you sponsor a health FSA and wish to implement the higher limit, make sure the increased limit is incorporated into your cafeteria plan document.

Please visit [www.moreton.com/category/compliance-updates](http://www.moreton.com/category/compliance-updates) for more information and to view other client alerts. This Client Alert was written by Carolyn Cox, Moreton & Company's in-house corporate counsel who provides our clients with compliance services. For additional questions, please contact Carolyn at 801-715-7110 or [ccox@moreton.com](mailto:ccox@moreton.com).

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