

IRS Updates Benefit Plan Limits for 2020

By *Ashley Dillingham, J.D.*
Compliance & HR Manager

The IRS recently updated the following benefit plan limits for **2020** to adjust for inflation:

- [Flexible Spending Accounts & Parking and Transit Accounts](#)
- [Health Savings Accounts](#)

2020 FSA & Parking and Transit Limits

	2019	2020
HEALTHCARE FSA	\$2,700	\$2,750
DEPENDENT CARE FSA	\$5,000	\$5,000
ADOPTION ASSISTANCE	\$14,080	\$14,300
PARKING & TRANSIT ACCOUNTS (monthly)	\$265	\$270

*The updated IRS limits will apply to plans beginning on or after **January 1, 2020**.

*Employers are not required to update their plans to allow for the new limits. Employers may choose to cap employee contributions to an amount lower than the IRS maximum.

2020 High Deductible Health Plan (HDHP) Requirements & HSA Limits

	2019	2020
Minimum Yearly Deductible	Self-Only Coverage: \$1,350	Self-Only Coverage: \$1,400
	Family Coverage: \$2,700	Family Coverage: \$2,800
Yearly Out-of-Pocket Maximum (not including out-of-network services)	Self-Only Coverage: \$6,750	Self-Only Coverage: \$6,900
	Family Coverage: \$13,500	Family Coverage: \$13,800
Contribution Limits (employer + employee)	Self-Only Coverage: \$3,500	Self-Only Coverage: \$3,550
	Family Coverage: \$7,000	Family Coverage: \$7,100
Catch-up Contribution Limits (age 55 or older)	\$1,000	\$1,000

If you have any questions or concerns, please contact me at: adillingham@benefitreview.com

Disclaimer: This Compliance Alert is for informational purposes only. It is not intended to be exhaustive and should not be construed as or substituted for legal or tax advice. Please consult with legal counsel or a tax advisor for further guidance.

Benefit Review Services, Inc.
43370 Mound Road
Sterling Heights, MI 48314
586.997.1700
www.brsibenefits.com

816 9th Street SW
Vero Beach, FL 32962
772.257.5439



To view all articles, click [here](#).