

## Dependent Care Expense Eligibility List

The following is a summary of common expenses claimed against a Dependent Care Account (DCA). Due to frequent updates to the regulations governing DCAs, this list does not guarantee reimbursement but instead is to be utilized as a guide for the submission of claims. A definition of eligibility is as follows (all expenses are assumed to have been incurred during the active plan year):

**Yes:** The expense is eligible for reimbursement.

**Potentially:** The expense can be considered eligible provided certain conditions or criteria (as specified in the Comments and Special Rules section) are satisfied.

**No:** The expense is not eligible for reimbursement.

Expense	Eligible?	Comments and Special Rules
Adult Daycare	Potentially	Will qualify only if (1) such expenses are not for medical services; (2) the elderly person is a qualifying individual; and (3) in the case of services provided outside the employee's household, the person still regularly spends at least eight hours each day in the employee's household. Elder day care will often qualify, but around-the-clock care in a nursing home will not. Note that long-term care insurance will not qualify.
After-school care or extended day programs (supervised activities for children after the regular school program)	Potentially	Will qualify if used to enable the employee and spouse to be gainfully employed. Programs that are generally educational in nature (e.g., tuition) will not qualify.
Agency fee	Potentially	Will qualify if it is an expense that must be paid in order to obtain the related care. However, the fee cannot be reimbursed until care is provided. Fees that are forfeited (e.g., because the employee selects a different provider) will not qualify.
Arts and crafts fee	No	
Assisted living	No	See Custodial care and Elder care.
Au pair	Potentially	Will qualify to the extent that the amounts paid are for the care of a qualifying individual. Household services not directly related to the care of the qualifying individual will not qualify. In addition, an up-front fee paid to employ the au pair may qualify if it must be paid in order to obtain the related care, but it cannot be reimbursed until care is provided. See Nanny.
Babysitter (inside or outside employee's household)	Potentially	Will qualify if used to enable the employee and spouse to be gainfully employed. Will not qualify if the babysitter is (1) under age 19 and is the employee's child, step-child, or eligible foster child; (2) an individual for whom the employee or spouse can claim a deduction on IRS Form 1040; (3) the employee's spouse; or (4) a parent of the employee's under-age-13 qualifying child.
Back-up or emergency care	Potentially	Will qualify if used to enable the employee and spouse to be gainfully employed and other applicable conditions are met. See Babysitter.
Before-school care or extended day programs (supervised activities for children before the regular school program)	Potentially	Will qualify if used to enable the employee and spouse to be gainfully employed. Programs that are generally educational in nature (e.g., tuition) will not qualify.

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Boarding school	No	Will not qualify as it is education in nature and generally includes hours when the employee and spouse are not gainfully employed.
Camp	Potentially	See Day camp and Overnight camp.
Chauffeur	No	
Child of employee under age 19, amounts paid to	No	See Relative, amounts paid to.
Clothing	Potentially	Will not qualify if charged separately from dependent care expenses. Small amounts may qualify if incidental to and inseparably part of the dependent care (e.g., a t-shirt included with preschool care).
Custodial care	Potentially	Will qualify only if (1) such expenses are not for medical services; (2) the person in custody is a qualifying individual; and (3) the qualifying individual (other than a qualifying child under age 13) still spends at least eight hours each day in the employee's household. Note that long-term care insurance will not qualify. See Elder care.
Day camp	Potentially	The cost of a day camp or a similar program to care for a qualifying individual may qualify, even if the day camp specializes in a particular activity (e.g., soccer or computers). Additionally, will only qualify if used to enable the employee and spouse to be gainfully employed. Separate equipment or similar charges (e.g., a laptop rental fee for a computer camp) will not qualify. See Overnight camp.
Daycare for children over age 13	No	
Deposit	Potentially	Will qualify if it is an expense that must be paid in order to obtain the related care. However, the fee cannot be reimbursed until care is provided. A deposit that is forfeited (e.g., because the employee selects a different provider) will not qualify.
Disabled qualifying child under age 13	Potentially	The requirement that at least eight hours per day be spent in the employee's household in order for care provided outside the employee's household to qualify for reimbursement does not apply to a qualifying child under age 13, whether or not the qualifying child is incapable of self-care. Any care provided outside the household, however, must enable the employee and spouse to be gainfully employed, and other restrictions must still be met. See, for example, Babysitter, Boarding school and Overnight camp.
Educational expenses – Kindergarten	No	See Kindergarten.
Educational expenses – preschool/nursery school	Yes	See Preschool/nursery school.
Elder care	Potentially	Will qualify only if (1) such expenses are not for medical services; (2) the elderly person is a qualifying individual; and (3) in the case of services provided outside the employee's household, the person still regularly spends at least eight hours each day in the employee's household. Elder day care will often qualify, but around-the-clock care in a nursing home will not. Note that long-term care insurance will not qualify.
Extended daycare	Potentially	See After-school care or extended day programs (supervised activities for children after the regular school program) and Before-school care or extended day programs (supervised activities for children after the regular school program).

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FICA and FUTA taxes of day-care provider	Potentially	Will qualify if the overall expenses of the care qualify.
Field trips	Yes	
Food	Potentially	Will not qualify if charged separately from dependent care expense. Small amounts may qualify if incidental to and an inseparably part of the dependent care (e.g., lunch included with preschool care).
Household services	No	These include housekeeper, housecleaner, maid, and cook.
Incidental expenses – e.g., extra charges for special activities	Potentially	Will not qualify if charged separately from dependent care expenses. May qualify if incidental to and an inseparable part of the dependent care
Kindergarten	No	Such expenses are primarily education in nature, whether half or full-day, private or public and state-mandated or voluntary. See After-school care and Before-school care.
Late payment fees	No	Will not qualify if the parent paid the childcare bill late.
Late pickup fee	Yes	
Long-term care expenses	Potentially	See Custodial care and Elder care.
Looking for work (care that enables the employee and/or spouse to look for work)	Potentially	Will qualify if the employee and spouse are actively looking for work. However, a person who does not find a job and has no earned income for the year will not be able to exclude the expenses from income.
Medical services for a disabled dependent under age 13	Yes	Will qualify if used to enable the employee and spouse to be gainfully employed.
Medical services for a disabled dependent over age 13	No	This expense would need to be filed under the Medical FSA.
Mileage charged by the DCA provider	Yes	
Mileage for the parent to bring the qualifying individual to daycare	No	
Nanny	Potentially	Will qualify to the extent that the amounts paid are for the care of a qualifying individual. Household services not directly related to the care of the qualifying individual will not qualify. See also Au Pair and Registration fees.
Nursing home	No	See Elder care.
Overnight camp	No	Expenses for overnight camps are not employment-related. See Day camp.
Parent of employee's under age 13 qualifying child, amounts paid to	No	See Relative, amounts paid to.
Part-time employment (payments to provider when the employee is not working)	Potentially	If the employee is required to pay for care on a basis that includes both work and non-work days, payments for periods that include both work and non-work days will qualify in full. Otherwise, expenses must be allocated between work and non-work days.
Placement fees for finding a dependent care provider	No	Will not qualify as such fees are generally not required in order to obtain care.
Prepaid fees for care	Potentially	Will not qualify to the extent that the dependent care services have not yet been provided. Will qualify after the services have been provided, if the services otherwise qualify as employment-related expenses. Full or partial payment for dependent care services at the time of registration

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		(e.g., to secure a spot because the summer camp is popular) will not qualify until care is provided. See Deposit. Fees that are forfeited (e.g., because the employee selects a different provider) will not qualify.
Preschool/nursery school	Yes	
Recreation	Potentially	Will not qualify if charged separately from dependent care expenses. Small amounts may qualify if incidental to and an inseparable part of the dependent care.
Registration fee	Potentially	Will qualify if the fee must be paid in order to obtain care. However, the fee cannot be reimbursed until care is provided. Fees that are forfeited (e.g., because the employee selects a different provider) will not qualify.
Relative, amounts paid to	Potentially	Will qualify if used to enable the employee and spouse to be gainfully employed. Will not qualify if the babysitter is (1) under age 19 and is the employee's child, step-child, or eligible foster child; (2) an individual for whom the employee or spouse can claim a deduction on IRS Form 1040; (3) the employee's spouse; or (4) a parent of the employee's under-age-13 qualifying child.
Security system for the home	No	
Self-employment, expense incurred in connection with	Potentially	Will qualify to the extent that the expenses are incurred for dependent care.
Sick-child facility, amounts paid to	Potentially	Will qualify when incurred to enable the employee and spouse to go to work when the child is ill – i.e., when the primary purpose is child care.
Sick employee (payments to provider when sick employee stays home)	Potentially	If the absence is considered short and temporary (up to two consecutive weeks) and the care-giving arrangement requires the employee to pay for care during the absence, then a payment for a period that includes the absence will qualify for reimbursement in full; other absences generally will not qualify.
Spouse of employee, amounts paid to	No	See Relative, amounts paid to.
Summer day camp	Potentially	See Day camp.
Summer school	No	Such expenses are primarily educational in nature and therefore do not qualify.
Supply fees	No	
Transportation expenses	Potentially	Will qualify if for transporting a qualifying individual to or from a place where care is provided and the transportation is furnished by a dependent care provider. Otherwise, such expenses generally are not considered to be for care, but might qualify if part of the dependent care charge (i.e., if incidental to and an inseparable part of the dependent care).
Tuition expenses	No	Such expenses are primarily educational in nature and therefore do not qualify.
Tutoring programs	No	Such expenses are primarily educational in nature and therefore do not qualify.
Unemployment (care that enables the employee and/or spouse to look for work)	Potentially	See Looking for work (care that enables the employee and/or spouse to look for work).
Vacation (payments to provider for periods when employee is on vacation)	Potentially	If the absence is considered short and temporary and the care-giving arrangement requires the employee to pay for care during the absence, then a payment for a period that includes the absence will qualify for

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Volunteer work (care that enables employee and/or spouse to volunteer)	No	reimbursement in full; other absences generally will not qualify. Will not qualify if the volunteer work is unpaid or for nominal pay.