

2022 Index Figures

Annually, the Internal Revenue Service (IRS) and Social Security Administration release cost-of-living adjustments that apply to dollar limitations set forth in certain IRS Code Sections. There have been slight increases in some indexed figures for 2022, as outlined below.

➤ Health Savings Account (HSA)

	2019	2020	2021	2022
Minimum deductible amounts for the qualifying high-deductible health plan (HDHP)				
Individual coverage	\$1,350	\$1,400	\$1,400	\$1,400
Family coverage	\$2,700	\$2,800	\$2,800	\$2,800
Maximum contribution levels				
Individual coverage	\$3,500	\$3,550	\$3,600	\$3,650
Family coverage	\$7,000	\$7,100	\$7,200	\$7,300
Catch up allowed for those 55 & over	\$1,000	\$1,000	\$1,000	\$1,000
Maximums for HDHP out-of-pocket expenses				
Individual coverage	\$6,750	\$6,900	\$7,000	\$7,050
Family coverage	\$13,500	\$13,800	\$14,000	\$14,100

➤ Healthcare FSA

	2019	2020	2021	2022
Salary Reduction Annual Limit	\$2,700	\$2,750	\$2,750	\$2,850

➤ Commuter Accounts

	2019	2020	2021	2022
Parking - monthly limit	\$265	\$270	\$270	\$280
Transit and Vanpooling - monthly limit	\$265	\$270	\$270	\$280

➤ Long Term Care

	2019	2020	2021	2022
Non-taxable per day payment	\$370	\$380	\$400	\$390

➤ Dependent and/or Child Daycare Expenses

The daycare expense limit associated with a cafeteria plan is not indexed, though the tax credit available through a participant's tax filing was raised in 2003. The daycare credit must be filed on Form 2441 and attached to the 1040 tax filing form. The limits for the daycare credit expenses are \$3,000 of expenses covering one child and \$6,000 for families with two or more children. If one of the parents is going to school full time or is incapable of self-care, the non-working spouse would be "deemed" as earning \$250 per month for one qualifying child and \$500 for two or more qualifying children. This "deemed" earned income is used whether a person is using the employer's cafeteria plan or taking the daycare credit.

For 2022, the maximum amount that can be contributed to a dependent care account is \$5,000 for a married couple filing a joint return, or for a single parent filing as "Head of Household." For a married couple filing separate returns, the limit is \$2,500 each. The daycare credit is reduced dollar for dollar by contributions to or benefits received from an employer's cafeteria plan. An employee may participate in their employer's cafeteria plan and take a portion of the daycare expenses through the credit if they have sufficient expenses in excess of their cafeteria plan annual election, but within the tax credit limits.

	2019	2020	2021	2022
Dependent Care FSA Max Election	\$5,000	\$5,000	\$10,500*	\$5,000

**The American Rescue Plan Act temporarily increased the dependent-care flexible spending account limit to \$10,500 for calendar year 2021 only.*

➤ Social Security and Medicare Wage Base

For 2022, the Social Security wage base is \$147,000. The Social Security rate of 6.2% is applied to wages up to the maximum taxable amount for the year; the Medicare portion of 1.45% applies to all wages. In addition, starting with the 2013 taxable year, individuals are liable for a 0.9% "Additional Medicare Tax" on all wages exceeding specific threshold amounts.

	2019	2020	2021	2022
Social Security Wage Base	\$132,900	\$137,700	\$142,800	\$147,000
Employee Social Security Rate	6.20%	6.20%	6.20%	6.20%
Employee Medicare Rate	1.45%	1.45%	1.45%	1.45%
Total Employee Rate	7.65%	7.65%	7.65%	7.65%
Employer Matching Rate	7.65%	7.65%	7.65%	7.65%