

Healthcare FSA

Per IRS regulations, pretax employee contributions to Health Flexible Savings Accounts (FSAs) contribution limit for 2026 is \$3,400, an increase of \$100 from the 2025 limits. Carryover of unused amounts, increased from \$660 to \$680.

Health FSA	2025	2026
Maximum Annual Contribution Limit	\$3,300	\$3,400
Maximum Carryover Amount	\$660	\$680

Dependent and/or Child Daycare Expenses

The 2026 cafeteria plan daycare contribution limit has been set at \$7,500 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 \$3,750 each.

Dependent Care FSA	2025	2026
Maximum Annual Contribution Limit; married and filing jointly or single parent	\$5,000	\$7,500
Maximum Annual Contribution Limit; married and filing separate	\$2,500	\$3,750

Health Savings Account (HSA)

For calendar year 2026, the annual limitation on deductions for an individual with self-only coverage under a high deductible health plan is \$4,400 and for an individual with family coverage it is \$8,750.

The "high deductible health plan" annual deductible cannot be less than \$1,700 for self-only coverage or \$3,400 for family coverage, and the annual out-of-pocket expenses cannot exceed \$8,500 for self-only coverage or \$17,000 for family coverage.

Health Savings Account	2025	2026
Maximum contribution levels		
Individual coverage	\$4,300	\$4,400
Family coverage	\$8,550	\$8,750
Catch up allowed for those 55 and over	\$1,000	\$1,000
Minimum deductible amounts for the qualifying high deductible health plan (HDHP)		
Individual coverage	\$1,650	\$1,700
Family coverage	\$3,300	\$3,400
Maximums for HDHP out-of-pocket expenses		
Individual coverage	\$8,300	\$8,500
Family coverage	\$16,600	\$17,000

Commuter Accounts

The monthly commuter benefit limits for both mass transit and parking increased by \$15 per month in 2026, for a maximum monthly contribution limit of \$340.

Transit Benefits	2025	2026
Parking - monthly limit	\$325	\$340
Transit and Vanpooling - monthly limit	\$325	\$340

CAS documents allow for automatic IRS FSA limit increases, therefore there is no need for a document amendment. Please email the CAS team if you would like updated enrollment materials with the new IRS limit. If your plan has already re-enrolled or is re-enrolling now you can allow your employees to update their election to the new IRS limit due to this announcement.

You can see all the details on the tax rates and 2026 limits by clicking [Internal Rev. Proc. 2025-32](#) & [Internal Rev. Proc. 2025-19](#)