

Mount Carmel Area School District

Section 125 Flexible Spending Account Program

Effective July 1, 2010, the Mount Carmel Area School District is making available to its employees the Security Benefit Group's **Security Flex 125 Program**. The enrollers for this Section 125 Flexible Spending Account Program will be representatives of the Kades-Margolis Corporation, your Financial Advisors, and PSEA endorsed vendor of 403(b) tax sheltered accounts.

Under a Section 125 Flexible Spending Account Program, employees can annually set aside funds to pay for eligible out-of-pocket medical expenses and dependent care expenses, and avoid paying taxes on the amount set aside. The amount set aside for medical expenses is sheltered from federal income tax, FICA tax, State Income Tax, and the local Earned Income Tax. The amount set aside for dependent care expenses is sheltered from federal income tax and FICA tax. If you're in the 25% federal tax bracket, this program could **save you a total of 36.72% on your qualifying medical out-of-pocket costs and 32.65% of your dependent care expenses.**

Employees with out-of-pocket medical expenses, **including over-the-counter medicines and drugs**, for themselves, and/or their family members, and all employees with day care or elder care expenses should take advantage of this benefit. Best of all, there is no cost to you to participate in this program.

On April 20th **Ryan Christensen**, a Kades-Margolis Representative, will begin to enroll employees in the program. This enrollment will be for the plan year beginning July 1, 2010 and ending June 30, 2011. We are requesting that all eligible employees schedule an appointment for a time that is convenient for you to meet with the Kades-Margolis enroller and either sign on, or sign off the program. **Even if you do not wish to participate in this program, we would like you to sign off, so that the district can assure the IRS the program was properly communicated to all eligible employees.** You can also use this opportunity to discuss your tax shelter account or find out more information about 403(b) TSAs.

Don't miss this opportunity to take advantage of this tax saving program!!!

ENROLLMENT DATES:

April 20 th	Elementary School	8:00am – 3:30pm
April 21 st	Jr/Sr High School	8:00am – 3:30pm
April 22 nd	Administration	8:00am – 12:00pm