

FYI[®] Alert

For Your Information[®]

Volume 40 | Issue 131 | October 20, 2017

IRS Announces Some 2018 Benefit Plan Limits

The IRS has issued [Revenue Procedure 2017-58](#), which contains 2018 limits for health flexible spending arrangements, qualified transportation fringe benefits, adoption assistance programs, and long-term care premiums.

Health Flexible Spending Arrangements

The annual limit on employee salary reduction contributions to health flexible spending arrangements under Section 125(i) for plan years beginning in 2018 (compared with 2017) is:

	2018	2017
Maximum salary reduction amount	\$ 2,650	\$ 2,600

Qualified Transportation Fringe Benefits

The monthly limits under Section 132(f) for tax years beginning in 2018 (compared with 2017) are:

	2018	2017
Commuter highway vehicle and transit pass	\$ 260	\$ 255
Qualified parking	\$ 260	\$ 255

Adoption Assistance Programs

For employer-provided adoption assistance programs, the maximum amount excludible from an employee's income in 2018 (compared with 2017) for the adoption of a child (both for regular and special-needs adoptions) is shown below. The excludible amount phases out for taxpayers with modified adjusted gross income that exceeds certain levels.

	2018	2017
Excludible amount	\$ 13,840	\$ 13,570
Phase-out income thresholds		
Phase-out begins	\$ 207,580	\$ 203,540
Phase-out complete	\$ 247,580	\$ 243,540

Long-Term Care Premiums

The limits under Section 213(d) for eligible long-term care premiums that qualify as medical expenses for tax years beginning in 2018 (compared with 2017) are shown below, based on attained age before the close of the taxable year.

	2018	2017
Age 40 or less	\$ 420	\$ 410
> 40 but ≤ 50	\$ 780	\$ 770
> 50 but ≤ 60	\$ 1,560	\$ 1,530
> 60 but ≤ 70	\$ 4,160	\$ 4,090
> 70	\$ 5,200	\$ 5,110

Health Savings Accounts

The 2018 limits for contributions to health savings accounts and for high-deductible health plans were released earlier this year. (See our [May 9, 2017 For Your Information](#).)

In Closing

Our *For Your Reference*, a wallet-sized booklet showing retirement plan and other benefit limits and various key Social Security and Medicare figures, will be available shortly from your consultant.

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