

# Dependent Care Credit vs. Dependent Care FSA

## Calendar Year 2005

Dependent Care Credit vs. Dependent Care FSA  
2005 Tax Rates – Single, Head of Household  
2 Eligible Dependents – \$6,000 Daycare Expenses

### Annual Gross Income

Over	But not over	Diff.	Best option
\$0	\$10,450	(\$868)	Credit
\$10,450	\$15,000	(\$618)	Credit
\$15,000	\$17,000	(\$568)	Credit
\$17,000	\$19,000	(\$518)	Credit
\$19,000	\$21,000	(\$468)	Credit
\$21,000	\$23,000	(\$418)	Credit
\$23,000	\$25,000	(\$368)	Credit
\$25,000	\$27,000	(\$318)	Credit
\$27,000	\$29,000	(\$268)	Credit
\$29,000	\$31,000	(\$218)	Credit
\$31,000	\$33,000	(\$168)	Credit
\$33,000	\$35,000	(\$118)	Credit
\$35,000	\$37,000	(\$68)	Credit
\$37,000	\$39,000	(\$18)	Credit
\$39,000	\$39,800	\$33	Flex
\$39,800	\$41,000	\$533	Flex
\$41,000	\$43,000	\$583	Flex
\$43,000	\$90,000	\$633	Flex
\$90,000	\$102,800	\$323	Flex
\$102,800	\$166,450	\$473	Flex

\*Flex percentage applied to \$5,000 and \$1,000 to Credit.

Note: State and local tax savings were not taken into consideration. State and local taxes vary in percentages and dependent care credit availability.

The above chart, although believed to be accurate, is intended for illustrative purposes only and is not intended to constitute legal or accounting advice. The above chart does not substitute for personalized professional tax advice. Each person's tax situation and status is unique. Prior to enrolling in the Dependent Care FSA, each person is urged to obtain personalized professional tax assistance and advice concerning their individual filing status and potential tax liabilities.

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## Calendar Year 2005

Dependent Care Credit vs. Dependent Care FSA  
2005 Tax Rates – Single, Head of Household  
1 Eligible Dependent - \$3,000 Daycare Expenses

### Annual Gross Income

Over	But not over	Diff.	Best Option
\$0	\$10,450	(\$521)	Credit
\$10,450	\$15,000	(\$371)	Credit
\$15,000	\$17,000	(\$341)	Credit
\$17,000	\$19,000	(\$311)	Credit
\$19,000	\$21,000	(\$281)	Credit
\$21,000	\$23,000	(\$251)	Credit
\$23,000	\$25,000	(\$221)	Credit
\$25,000	\$27,000	(\$191)	Credit
\$27,000	\$29,000	(\$161)	Credit
\$29,000	\$31,000	(\$131)	Credit
\$31,000	\$33,000	(\$101)	Credit
\$33,000	\$35,000	(\$71)	Credit
\$35,000	\$37,000	(\$41)	Credit
\$37,000	\$39,000	(\$11)	Credit
\$39,000	\$39,800	\$20	Flex
\$39,800	\$41,000	\$320	Flex
\$41,000	\$43,000	\$350	Flex
\$43,000	\$90,000	\$380	Flex
\$90,000	\$102,800	\$194	Flex
\$102,800	\$166,450	\$284	Flex

\*Flex percentage applied to \$5,000 and \$1,000 to Credit.

Note: State and local tax savings were not taken into consideration. State and local taxes vary in percentages and dependent care credit availability.

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## Calendar Year 2005

Dependent Care Credit vs. Dependent Care FSA  
2005 Tax Rates – Single, Head of Household  
1 Eligible Dependent - \$5,000 Daycare Expenses

### Annual Gross Income

<u>Over</u>	<u>But not over</u>	<u>Diff.</u>	<u>Best Option</u>
\$0	\$10,450	(\$168)	Credit
\$10,450	\$15,000	\$83	Flex
\$15,000	\$17,000	\$113	Flex
\$17,000	\$19,000	\$143	Flex
\$19,000	\$21,000	\$173	Flex
\$21,000	\$23,000	\$203	Flex
\$23,000	\$25,000	\$233	Flex
\$25,000	\$27,000	\$263	Flex
\$27,000	\$29,000	\$293	Flex
\$29,000	\$31,000	\$323	Flex
\$31,000	\$33,000	\$353	Flex
\$33,000	\$35,000	\$383	Flex
\$35,000	\$37,000	\$413	Flex
\$37,000	\$39,000	\$443	Flex
\$39,000	\$39,800	\$473	Flex
\$39,800	\$41,000	\$973	Flex
\$41,000	\$43,000	\$1,003	Flex
\$43,000	\$90,000	\$1,033	Flex
\$90,000	\$102,800	\$723	Flex
\$102,800	\$166,450	\$873	Flex

\*Flex percentage applied to \$5,000 and \$1,000 to Credit.

Note: State and local tax savings were not taken into consideration. State and local taxes vary in percentages and dependent care credit availability.

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## Calendar Year 2005

Dependent Care Credit vs. Dependent Care FSA  
2005 Tax Rates – Married, Filing Joint  
2 Eligible Dependents - \$6,000 Daycare Expenses

### Annual Gross Income

<u>Over</u>	<u>But not over</u>	<u>Diff.</u>	<u>Best Option</u>
\$0	\$14,600	(\$868)	Credit
\$14,600	\$15,000	(\$618)	Credit
\$15,000	\$17,000	(\$568)	Credit
\$17,000	\$19,000	(\$518)	Credit
\$19,000	\$21,000	(\$468)	Credit
\$21,000	\$23,000	(\$418)	Credit
\$23,000	\$25,000	(\$368)	Credit
\$25,000	\$27,000	(\$318)	Credit
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\$31,000	\$33,000	(\$168)	Credit
\$33,000	\$35,000	(\$118)	Credit
\$35,000	\$37,000	(\$68)	Credit
\$37,000	\$39,000	(\$18)	Credit
\$38,050	\$39,000	(\$18)	Credit
\$39,000	\$41,000	\$33	Flex
\$41,000	\$43,000	\$83	Flex
\$43,000	\$59,400	\$133	Flex
\$59,400	\$90,000	\$633	Flex
\$90,000	\$119,950	\$323	Flex
\$119,950	\$182,800	\$473	Flex

\*125 Tax Savings percentage applied to \$5,000.

Note: State and local tax savings were not taken into consideration. State and local taxes vary in percentages and dependent care credit availability.

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# Dependent Care Credit vs. Dependent Care FSA

## Calendar Year 2005

### Dependent Care Credit vs. Dependent Care FSA 2005 Tax Rates – Married, Filing Joint 1 Eligible Dependent - \$3,000 Daycare Expenses

#### Annual Gross Income

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\$0	\$14,600	(\$521)	Credit
\$14,600	\$15,000	(\$371)	Credit
\$15,000	\$17,000	(\$341)	Credit
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