

# HSA TOPICS (Health Savings Accounts):

(From the IRS, HSAbank.com and other resources)



## HSA (Maximum Annual Contributions)

HSA Guidelines for 2021				
	HSA Contribution Limit	HDHP Minimum Deductible*	HDHP Maximum Out-of-Pocket	HSA 55+ additional contribution amount
<b>Single</b>	\$3,600	\$1,400	\$7,000	\$1,000
<b>Family</b>	\$7,200	\$2,800	\$14,000	\$1,000

\*unchanged from 2020

In simplest terms, **HSA contributions**:

- 1) Every Contribution is Pre-Tax (Immediately Deductible on your Tax Return)  
Just like a Traditional IRA Contribution
- 2) Grows Tax-Deferred  
If you invest your HSA monies, you would owe no income taxes or capital gains, so long as the money traded stays in the account, or is used on HSA Qualified Expenses.
- 3) You can use these monies TAX-FREE for expenses such as these:
  - **Medical, Dental, or Vision...** (see [IRS Publication 969](#) for more details)
  - Medicare **Part B Premiums**, Medicare **Prescription Drug Plan Premiums** and some limited dollar amounts towards **Long-Term Care Insurance...** (HSA monies may NOT be used to reimburse for Medicare Supplement Premiums).

Further, you may also reimburse yourself for Qualified Medical Expenses for your **Spouse** and/or **other Dependents** that you claim on your tax return...

HSA's are different, than more common FSAs (which are often offered by Employer Groups). FSAs (Flexible Spending Accounts) are usually a use-it or lose-it scenario each year. HSA monies are YOUR monies. You keep it. You may allow it to build and grow tax deferred indefinitely, or reimburse yourself tax-free, for Qualified HSA Expenses, in whatever year you have such expenses.