

Health Savings Accounts

Health Premiums	\$4,000
Federal Tax (15%)	600
State Tax (6%)	0
FICA (15%)	0
Tax Savings	\$ 600

105CONCEPTS (Single Employer HRA)

Health Premiums	\$4,000
Federal Tax (15%)	600
State Tax (6%)	240
FICA Tax (15%)	600
Tax Savings	\$1,440

(Assuming client has fully funded HSA account)

Out of Pocket Expenses	\$3,000
Federal Tax (15%)	450
State Tax (6%)	0
FICA (15%)	0
Tax Savings	\$ 450
Total Tax Savings	\$1,050

Out of Pocket Expenses	\$3,000
Federal Tax (15%)	450
State Tax (6%)	180
FICA (15%)	450
Tax Savings	\$1,080
Total Tax Savings	\$2,520

If the client is a small business owner and employs the spouse, the expenses paid from the HSA would be tax deductible to the employer, and non-taxable income to the spouse-employee.

The following limits apply to the HSA Account:

Single	\$2,600
Family	\$5,150