

Dependent Care Account

Table of Potentially Qualifying Eligible Expenses

Expense	Is Expense a Qualifying Expense?	Comments and Special Rules
After-school care or extended day programs (supervised activities for children after the regular school program)	Potentially qualifying expense	Will qualify if used to enable the employee and spouse to be gainfully employed. These programs generally are not educational in nature. Their primary purpose is to care for children while parents are at work. However, educational expenses (e.g., tuition) won't qualify.
Assisted living		See Custodial care and Elder care.
Babysitter (inside or outside participant's household)	Potentially qualifying expense	Will qualify unless the babysitter is (1) under age 19 and is the employee's child, stepchild, or eligible foster child; (2) an individual for whom the employee or spouse can claim a deduction on IRS Form 1040 ; (3) the employee's spouse; or (4) a parent of the employee's under-age-13 qualifying child. However, the cost of a babysitter while an employee and spouse go out to eat is not normally a work-related expense and generally won't qualify.
Before-school care or extended day programs (supervised activities for children before the regular school program)	Potentially qualifying expense	Will qualify if used to enable the employee and spouse to be gainfully employed. These programs generally are not educational in nature. Their primary purpose is to care for children while parents are at work. However, educational expenses (e.g., tuition) won't qualify.
Custodial care	Potentially qualifying expense	Will qualify only if (1) such expenses are not attributable to medical services; (2) the person in custody is a qualifying individual; and (3) the qualifying individual (other than a qualifying child under age 13) still spends at least eight hours each day in the employee's household. Note that long-term care insurance cannot be offered under a cafeteria plan. See also Elder care .

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Day camp	Potentially qualifying expense	The cost of a day camp or a similar program to care for a qualifying individual may qualify, even if the day camp specializes in a particular activity (e.g., soccer or computers), but see Overnight camp . Separate equipment or similar charges (e.g., a laptop rental fee for a computer camp) won't qualify. Also, summer school expenses are considered primarily for education rather than for care and won't qualify. See Tuition expenses and Dependent care center.
Dependent care center	Potentially qualifying expense	Will qualify if the center meets the requirements of Code §21(b)(2)(C) , including compliance with all applicable laws and regulations.
Disabled qualifying child under age 13	Potentially qualifying expense	The requirement that at least eight hours per day be spent in the employee's household in order for care provided outside the employee's household to qualify for reimbursement does not apply to a qualifying child under age 13, whether or not the qualifying child is incapable of self-care.
Elder care	Potentially qualifying expense	Will qualify only if (1) such expenses are not attributable to medical services; (2) the elderly person is a qualifying individual; and (3) in the case of services provided outside the employee's household, the person still regularly spends at least eight hours each day in the employee's household. Elder day care will often qualify, but around-the-clock care in a nursing home will not. See also Custodial care.
Nursery school		See Preschool/nursery school.
Nursing home		See Elder care.
Overnight camp	Not a qualifying expense	Expenses for overnight camps are not employment-related expenses, but see Day camp.
Preschool/nursery school	Potentially qualifying expense b	Amounts paid for education are not considered to be for the care of a qualifying individual. This is the case even if the employee would otherwise have had to obtain custodial care for the qualifying individual in order to be gainfully employed during the applicable time period

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Sick-child facility	Potentially qualifying expense	Probably will qualify when incurred to enable the employee to go to work when the child is ill—i.e., when the primary purpose is child care.
Summer school	Not a qualifying expense	Such expenses are primarily educational in nature, but see After-school care and Before-school care .
Tuition expenses	Not a qualifying expense	Such expenses are primarily educational in nature, but see After-school care and Before-school care .