



County of Santa Cruz 125 Pre-Tax Programs Highlights

A Pre-Tax Program is a benefit plan that you sign up for and fund through payroll deductions. Contributions are pulled from your paycheck before taxes. The County offers four Pre-Tax Programs.

FLEXIBLE SPENDING ACCOUNT (FSA)	An FSA allows you to set aside pre-tax earnings to pay for eligible out-of-pocket health care expenses. You can contribute up to the IRS limit in pre-tax dollars and the full amount is available to use from the start of your enrollment date. You can use these funds via the issued pre-funded credit card or pay yourself back via the claim form on eligible out-of-pocket expenses.
DEPENDENT CARE (D-CARE)	D-Care allows you to set aside pre-tax earnings to pay for eligible childcare expenses and other dependent care costs that make it possible for you to work.
H-CARE	H-Care allows you to pay for health care premiums before taxes are taken out, reducing your overall taxable income.
457 DEFERRED COMPENSATION	457 Deferred Compensation is a supplemental retirement savings program that allows you to make contributions on a pre-tax basis.