



Human Resources - Benefits

Dependent Care Flex Spending Match Application

Overview

LAIKA offers a dollar-for-dollar match to participants in the Dependent Care Flexible Spending Account (DCSA) up to \$2,000 per year for households with an adjusted gross income up to \$120,000. The purpose of this employer match is to assist LAIKA families with the cost of qualified childcare expenses.

Important Note: In order to be eligible to participate in the Dependent Care FSA Plan both parents must be working, full-time students, or looking for work as per the IRS Regulations on Dependent Care FSA Plans.

What do I need to do?

Complete the form on the next page and send it via **encrypted** email to benefits@laika.com. Please also attach the page from your most recently filed IRS tax return showing your tax filing status and family *Adjusted Gross Income*. If you need instructions about how to send encrypted emails, please reach out to benefits@laika.com.

DCSA participation may be started or changed only based on a qualifying change in family or employment status or during our annual Open Enrollment. Participants must re-enroll every year during Open Enrollment to continue participation each calendar year. All qualified expenses will be reimbursed as per the plan document.

Tax Information

An employer can provide a match to the Dependent Care Flexible Spending Account (DCSA) and it will not be taxed as long as the plan follows the applicable code sections.

EBIA: Dependent Care Assistance Programs (DCAP) must comply with several Code requirements to obtain favorable tax treatment—that is, to ensure that employer contributions to dependent care reimbursements are excluded from gross income:

- Code §129 reimbursement rules;
- “no-deferred-compensation” rules and claims substantiation rules applicable to FSAs in Prop. Treas. Reg. §§1.125-5 and -6;
- nondiscrimination, reporting, and disclosure rules under Code §129(d);
- and if offered under a cafeteria plan, Code §125 and the applicable regulations.

Code §129(a)(1) “gross income of an employee does not include amounts paid or incurred by the employer for dependent care assistance provided to such employee if the assistance is furnished pursuant to a [dependent care assistance] program described in subsection (d)”.

The maximum contribution combined is \$5,000. There are statutory limits on the amount of reimbursement that can be excluded from income for the calendar year: (i) the lower of \$5,000 (\$2,500 in the case of a separate return by a married individual) or (ii) the employee's or spouse's earned income.

Questions?

For more information about the LAIKA Dependent Care Flexible Spending Account, including qualified expenses for reimbursement and how to submit a DCSA claim for reimbursement, please visit the DCSA page on Backstage at <https://laikallc.sharepoint.com/SitePages/Flexible-Spending-Accounts.aspx>. If you prefer a paper version of this document, it can be requested from the Benefits Department at benefits@laika.com.

Questions? Contact benefits@laika.com.

Dependent Care Match Application Form

Personal Information

Full Name

Plan Year

2025

Home Phone

Email

Tax Information

Tax Filing Status

Family Adjusted Income

Box 11 on *your most recent* 1040 Form

\$

Spouse's Employer or
Education Institution*

**As per IRS regulations, to qualify to use the DCSA, you and your spouse must be employed, looking for work, or your spouse must be a full-time student.*

DCSA Election

Annual DCSA Election*

(up to \$5,000)

\$

**Your annual DCSA election is your annual contributions plus the LAIKA match contributions. See examples below.*

Examples

<p>Example 1:</p> <p>Your family Adjusted Gross Income was \$75,000 and you anticipate at least \$5,000 in childcare expenses in 2025.</p> <p>Annual DCSA Election: \$5,000</p> <p>Annual Employer Match: \$2,000</p> <p>Your Annual Paycheck Contribution: \$3,000</p> <p>Bi-weekly Deduction*: \$115.38</p> <p><i>*assuming 26 pay periods of deductions</i></p>	<p>Example 2:</p> <p>Your family Adjusted Gross Income was \$50,000 and you anticipate at least \$1,500 in childcare expenses for the calendar year.</p> <p>Annual DCSA Election: \$1,500</p> <p>Annual Employer Match: \$750</p> <p>Your Annual Paycheck Contribution: \$750</p> <p>Bi-weekly Deduction*: \$28.85</p> <p><i>*assuming 26 pay periods of deductions</i></p>
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Acknowledgement

If I elect to participate in the Dependent Care Flexible Spending Account, and qualify for the LAIKA match, my enrollment election will not be complete until the **Benefits Department receives my last filed US Tax Form 1040** and my completed application. Applications must be received and approved on the last Thursday of a pay period to be effective for the next pay date.

Signature

Date
