

2024 Tax-Advantaged Plan Limits and Thresholds

The Internal Revenue Service (IRS) and Social Security Administration have released the cost-of-living (COLA) adjustments that apply to dollar limitations set forth in certain IRS Code Sections in 2024.



Healthcare FSA

November 9, 2023, the IRS announced the annual inflation adjustments for many tax provisions including the Healthcare FSA. Additional information can be found in IRS Rev Proc 2023-34.

Health FSA	2022	2023	2024
Maximum Annual Contribution Limit	\$2,850	\$3,050	\$3,200

Annual Carryover	2022	2023	2024
Maximum Annual Carryover Limit	\$570	\$610	\$640

Dependent and/or Child Daycare Expenses

The 2024 cafeteria plan daycare contribution limit remains unchanged and is still \$5,000 for a married couple filing a joint return, or for a single parent filing as "Head of Household." For a married couple filing separate returns, the limit is \$2,500 each.

Dependent Care FSA	2022	2023	2024
Maximum Annual Contribution Limit; married and filing jointly or single parent	\$5,000	\$5,000	\$5,000
Maximum Annual Contribution Limit; married and filing separate	\$2,500	\$2,500	\$2,500

Commuter Accounts

Transit Benefits	2023	2024
Parking - monthly limit	\$300	\$315
Transit and Vanpooling - monthly limit	\$300	\$315

Section 13304(c) of the Final Tax Bill disallows employer deductions relating to qualified transportation fringe benefits effective for tax years beginning after December 31, 2017. Nonprofits must also include the value of disallowed deductions for qualified transportation fringe benefits in Unrelated Business Taxable Income.

Health Savings Account (HSA)

For calendar year 2024, the annual limitation on deductions for an individual with self-only coverage under a high deductible health plan is \$4,150 and for an individual with family coverage it is \$8,300. The “high deductible health plan” annual deductible cannot be less than \$1,600 for self-only coverage or \$3,200 for family coverage, and the annual out-of-pocket expenses cannot exceed \$8,050 for self-only coverage or \$16,100 for family coverage.

The catch-up contribution allowed for those 55 and over remains at \$1,000. Remember, qualifying HDHPs and no other impermissible coverage (such as coverage under another employer’s plan or from a health care flexible spending account that is not specifically compatible with an HSA) are required in order to fund an HSA. Additional information can be found on the IRS website under Rev Proc 2023-23.

	2022	2023	2024
Minimum deductible amounts for the qualifying high deductible health plan (HDHP)			
Individual coverage	\$1,400	\$1,500	\$1,600
Family coverage	\$2,800	\$3,000	\$3,200
Maximum contribution levels			
Individual coverage	\$3,650	\$3,850	\$4,150
Family coverage	\$7,300	\$7,750	\$8,300
Catch up allowed for those 55 and over	\$1,000	\$1,000	\$1,000
Maximums for HDHP out-of-pocket expenses			
Individual coverage	\$7,050	\$7,500	\$8,050
Family coverage	\$14,100	\$15,000	\$16,100

Qualified Small Health Reimbursement Arrangements (QSEHRAs)

The employer contribution limits for qualified small HRAs in 2023 are \$5,850 for individual coverage employees or \$11,800 for families, up \$400 and \$750 respectively.

QSEHRAs	2022	2023	2024
Individual coverage	\$5,450	\$5,850	\$6,150
Family coverage	\$11,050	\$11,800	\$12,450

Standard Mileage Rates *(not yet updated for 2024)*

For the calendar year beginning on Jan. 1, 2023, the standard mileage rates for Business, Medical or Moving and Charitable is as follows:

Standard Mileage Rates	July 1 thru		
	December 31, 2022	2023	2024
Business Miles	62.5 cents	65.5 cents	65.5 cents
Medical / Moving Miles	22 cents	22 cents	22 cents
Charitable Miles	14 cents	14 cents	14 cents