

COLA 2017

Health & Welfare Cost-of-Living Adjustments

TRI-AD presents the *Cost-of-Living Adjustments* (COLAs) for 2017. These limits are provided each year by the Internal Revenue Service and are effective as of **January 1, 2017**.

Maximum Dollar Limitations

	2017	2016	2015	2014
Health Care Reimbursement Accounts in a Cafeteria Plan				
Maximum Contribution	\$2,600	2,550	2,550	2,500
Dependent Care Reimbursement Accounts in a Cafeteria Plan				
Maximum Contribution	\$5,000	5,000	5,000	5,000
Maximum Contribution if Married Filing Separately	\$2,500	2,500	2,500	2,500
Dependent Care Tax Credit on Personal Tax Return¹				
1 Qualifying Individual	\$3,000	3,000	3,000	3,000
2 or more Qualifying Individuals	\$6,000	6,000	6,000	6,000
Qualified Relative Income Allowance				
Maximum Amount a qualified relative can earn and still be considered a dependent for tax purposes	\$4,050	4,050	4,000	3,950
Qualified Transportation Plan²				
Parking – Monthly Limit	\$255	255	250	250
Transit Passes and Vanpooling (Combined) – Monthly Limit	\$255	255	250/130 ²	250
Bicycle benefit (Employer-funded) – Monthly Limit	\$20	20	20	20
Adoption Assistance Program³				
Maximum Exclusion for Employer-Provided Program ⁴	\$13,570	13,460	13,400	13,190
Adoption Tax Credit Limit	\$13,570	13,460	13,400	13,190
Modified Adjusted Gross Income Limits for Employer-Provided Adoption Assistance Program and Tax Credit				
Full credit if adjusted gross income below	\$203,540	201,920	201,010	197,880
Phased credit if adjusted gross income between	\$203,540 - \$243,540	201,920 - 241,920	201,010 - 241,010	197,880 - 237,880
No credit allowed for adjusted gross income above	\$243,540	241,920	241,010	237,880
Educational Assistance Programs				
Maximum nontaxable educational assistance benefit	\$5,250	5,250	5,250	5,250
Health Savings Accounts				
Contribution Limit per Individual	\$3,400	3,350	3,350	3,300
Contribution Limit per Family	\$6,750	6,750	6,650	6,550
Catch-up Contribution for Age 55 and Older	\$1,000	1,000	1,000	1,000
Out-of-pocket Maximum per Individual	\$6,550	6,550	6,450	6,350
Out-of-pocket Maximum per Family	\$13,100	13,100	12,900	12,700
Minimum Deductible per Individual	\$1,300	1,300	1,300	1,250
Minimum Deductible per Family	\$2,600	2,600	2,600	2,500
Highly Compensated Employee Compensation Exceeding	\$120,000	120,000	120,000	115,000
Key Employee Officer Compensation	\$175,000	170,000	170,000	170,000
Key Employee 1% Owner	\$150,000	150,000	150,000	150,000

¹ Credit may be adjusted based on the level of the taxpayer's adjusted gross income and is reduced by amounts excluded from income under a Dependent Care Reimbursement Account plan sponsored by an employer.

²The IRS announced parity in Transit and Parking limits on December 18, 2015. Increased limits were retroactively applied to 2015.

³An employer-sponsored Adoption Assistance Program may be a stand-alone program or contained in a Cafeteria Plan.

⁴If employer-sponsored Adoption Assistance Program is contained in a Cafeteria Plan, this is the maximum limit within the plan year.

