

## FSA Rollover Amount Increase

On Tuesday, May 12, 2020, the IRS issued [Notice 2020-29](#) and [Notice 2020-33](#). These Notices included major changes to Section 125 and FSA benefits that may be financially beneficial to plan participants. Some provisions, however, require adoption by the plan.

If adopted by the plan, notice 2020-33 increases the limit for unused Health FSA (and Limited Purpose FSA) carryover amounts from \$500, to a maximum of \$550, as adjusted annually for inflation. This increase applies to any plan year beginning in 2020.

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