



March 5, 2018

## 2018 Index Figures Changed by Tax Cuts and Jobs Act

The IRS released **Revenue Procedure 2018-18** on Monday March 5, 2018 to revise some inflation-adjusted amounts for 2018. Under the Tax Cuts and Jobs Act, for tax years beginning after December 31, 2017, dollar amounts that were previously indexed using Consumer Price Index for All Urban Consumers (CPI-U) for some of the figures are instead indexed using Chained Consumer Price Index for All Urban Consumers (C-CPI-U).

Of note, for flexible benefits indexed figures, were changes to Health Savings Accounts, Adoption Assistance Plans, and Archer Medical Savings Accounts.

### Health Savings Accounts (HSAs)

Maximum contribution limit for those with family coverage is now \$6,850 for 2018, still an increase from \$6,750 in 2017. This change reduces the previously-released 2018 amount of \$6,900 by \$50 for the 2018 taxable year. For those participants with the maximum family annual elections, please make the appropriate adjustments.

### Adoption Assistance

The adoption credit is now \$13,810 for 2018, also still an increase from \$13,570 in 2017. This change reduces the previously-released 2018 amount of \$13,840 by \$30 for the 2018 taxable year.

The new 2018 phase out (modified AGI) amounts begin when household incomes reach \$207,140 and ends when household incomes reach \$247,140. This is a decrease to previously-published 2018 indexed figures of \$440. For those participants with maximum annual elections, please make the appropriate adjustments.

### Archer Medical Savings Accounts (MSAs)

Minimum deductible amounts for a qualifying high-deductible health plan (HDHP) with family coverage is now \$4,550 for 2018, again, still an increase from \$4,500 in 2017. This change reduces the previously-released 2018 amount of \$4,600 by \$50 for the 2018 taxable year.

Maximum out-of-pocket expenses for an HDHP with individual coverage is now \$4,550 for 2018, still an increase from \$4,500 in 2017. This change reduces the previously-released 2018 amount of \$4,600 by \$50 for the 2018 taxable year. For those participants with maximum annual elections, please make the appropriate adjustments.

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