

OPENING YOUR HSA IN THE MIDDLE OF THE YEAR?



HERE ARE TWO WAYS TO SET UP YOUR CONTRIBUTIONS

1 Contribute a prorated amount for the actual number of months you're eligible during the year

2 Take advantage of the last-month rule and contribute the entire yearly maximum based on age and level of coverage

Questions?
We're here for you 24/7.

866.346.5800
my.HealthEquity.com

Start by determining how much you're eligible to contribute for the remainder of the year. Use the calculator at HealthEquity.com/Calculator/HSA-Contribution.

The IRS updates its contribution limits each year, so you might have the chance to increase your contributions—and boost your tax-free savings¹—in coming years.

The IRS allows an annual catch-up contribution for individuals age 55 and older.

During your first year with an HSA plan, you may be able to take advantage of the last-month rule and contribute up to the entire maximum for the year.

Last-month rule:

If you are an eligible individual on the first day of the last month of your tax year (December 1 for most), you're considered an eligible individual for the entire year, meaning you have the same HSA-qualified coverage for the entire year as you had on the first day of the last month.

Testing period:

If you make contributions to your HSA based on qualifications under the last-month rule, you must remain an eligible individual during the testing period, which lasts for the entire following year. (For example, the last-month rule might apply beginning December 1, 2020; the testing period would last through December 31, 2021.)

For more information about your HSA, visit:
HealthEquity.com/Learn

¹HSAs are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize HSA funds as tax-free with very few exceptions. Please consult a tax advisor regarding your state's specific rules. HealthEquity does not provide legal, tax, or financial advice. Always consult a professional when making life-changing decisions.