



2010 HSA Open Enrollment

December 2009

2010 IRS Contribution Limits

Individual Only Coverage

\$3,050 Annually

Family Coverage

\$6,150 Annually

Catch-up (Individuals age 55+)

\$1,000 additional Annually

It is time to make elections for 2010 HSA contributions. For those who have not participated in an HSA prior, benefits include:

- **Tax-Deductible Contributions and Distributions:** The money you deposit into your HSA will reduce your taxable income for the year, even if you don't itemize your deductions on your tax return. The money you deposit can be 100% tax deductible, up to the IRS maximum. Withdrawals made for qualified medical expenses are tax-free.
- **Unused Contribution Rollover:** Another advantage is that you are not obligated to use the money you contribute to your HSA each calendar year. The money can remain in the account and earn interest until you need it – whether that's next month, next year or in 10 years. At the age of 65, the account can be used as retirement savings or continue to be used for medical expenses. You decide.

A form is provided along with this memo to make your 2010 elections. Please return the form to your payroll contact by the deadline listed.

Some items to note are:

- After your account has been opened with Bancorp you have the option of requesting a rollover from your existing HSA account. You may request a form via telephone or by emailing benefits@tagpay.com. Forms should be returned to the Benefits Department at TAG.
- Go to www.mytagpay.com for forms and links and click on the myHSA link for account access.

As always, the Benefits Department at TAG Employer Services can be reached with questions at (623) 580-4900.

*Forms should be
returned to TAG
Employer Services by
December 23, 2009 for
timely processing.*

About Bancorp Bank

The Bancorp Bank is a publicly held, FDIC-insured financial services provider. With a clear vision of quality and innovation, The Bancorp Bank takes the lead in delivering financial products and services that customers want in a manner that looks ahead to the future. Their goal is to provide banking solutions that are accurate, flexible, personal and easy-to-use: anywhere in the world, anytime day or night. Customer Service is provided 24 hours a day by calling (866) 435-1316.