

## ALLEGIANCE HSA ADVANTAGE

### An HSA may be the right choice for your family.

#### TAKE YOUR HSA WITH YOU – IT’S YOURS!

Funds in your HSA account stay with you wherever you go. Even if you change jobs, your HSA moves with you. Whether it’s a job change, a new health plan, or retirement, your HSA remains in your control.

#### KEEP YOUR REMAINING FUNDS

An HSA acts just like a savings account in which you can routinely contribute funds and keep it for whenever you need it to pay for qualified medical expenses. At the end of your plan year, any remaining funds stay in your account from one year to the next. This way, you continue saving.

#### MULTIPLE TAX BENEFITS

The money is tax-free both when you put it in and when you take it out to cover qualified medical expenses. There are three major tax advantages to your HSA:

- 1 Cash contributions to an HSA are 100% deductible from your federal gross income (within legal limits).
- 2 Interest on savings accumulates tax deferred.
- 3 Withdrawals from an HSA for “qualified medical expenses” are free from federal income tax.

#### INVEST IN YOUR FUTURE

There is no minimum distribution during your retirement years, either. Thus, continuous contributions to your HSA are a wonderful way to plan for retirement, too! If you maintain a minimum balance of \$2,000, your additional funds may be invested in mutual funds yielding tax-free earnings. Until you turn 65, withdrawals used for eligible expenses are tax free. After you turn 65, or if you become disabled, your HSA account becomes similar to a regular IRA. Withdrawals you use for non-eligible expenses will be taxed at your regular income tax rate but won’t incur additional penalties.