2018 HSA Limit for Family Coverage Changed Again

On April 26, 2018, the IRS released Revenue Procedure 2018-27 to announce another change to the 2018 the family health savings account (HSA) contribution limit. The new revenue procedure modifies the family HSA contribution change imposed by the March 5th Revenue Procedure 2018-18.

What is the new limit?
The IRS has increased the HSA contribution limit for individuals with family coverage under a high deductible health plan (HDHP) from $6,850 to $6,900. This change is effective for the 2018 calendar year.

Why was the limit changed?
In response to numerous stakeholder concerns, the Treasury Department and the IRS determined it was best to change to limit again back to the original allowed amount published in 2017.

Are other limits changing too?
No, all of the other HSA and HDHP limits for 2018 are unchanged, and remain the same as those announced by the IRS in May 2017.

The IRS increased the HSA contribution limit for 2018 for individuals with family HDHP coverage by $50 to $6,900.

What do I need to do?
The announced change allows you to contribute up to $6,900. If you received a refund of $50 to comply with the $6,850 deduction limit, you must repay the distribution to the HSA and treat it as the result of a mistake of fact due to reasonable cause or use the $50 distribution to pay for qualified medical expenses to avoid taxes and penalties. Please contact your plan administrator with more questions.