SAVING & INVESTING



HEALTH SAVINGS ACCOUNT CONTRIBUTIONS

A GREAT WAY TO SAVE FOR HEALTHCARE EXPENSES

As millions of Americans have discovered, a Health Savings Account (HSA) is one of the best ways to set aside funds to pay for healthcare expenses.

While not everyone is eligible to fund an HSA, many millions of Americans are eligible. What's more, the rules for determining HSA eligibility are relatively simple.

- CONTRIBUTING TO AN HSA
  - CONTRIBUTION LIMITS
  - CATCH-UP CONTRIBUTIONS
- PARTIAL YEAR ELIGIBILITY
- SPECIAL RULES FOR FAMILY COVERAGE
- CONTRIBUTION DEADLINE
- TAX DEDUCTIONS
- QUALIFIED HSA FUNDING DISTRIBUTION

©2026 Superior IRA & HSA, LLC.

CONTRIBUTING TO AN HSA

To be eligible to contribute to an HSA, you must be covered by a high deductible health plan (HDHP) that meets certain minimum deductible and maximum out-of-pocket expense requirements. In addition to having HDHP coverage, you must not be covered under any other insurance plan that is not an HDHP (with certain exceptions), enrolled in Medicare, or able to be claimed as a dependent on someone else's tax return.

High Deductible Health Plan		
	Minimum Deductible	Maximum Out-of-Pocket Expenses
Self-Only Coverage	$1,700 (2026) $1,650 (2025)	$8,500 (2026) $8,300 (2025)
Family Coverage[1]	$3,400 (2026) $3,300 (2025)	$17,000 (2026) $16,600 (2025)

CONTRIBUTION LIMITS

The maximum amount you may contribute to an HSA depends on whether your HDHP is self-only coverage or family coverage.[1]

Annual Contribution Limits		
	Self-Only Coverage	Family Coverage[1]
2026	$4,400	$8,750
2025	$4,300	$8,550

CATCH-UP CONTRIBUTIONS

In addition to the annual contribution limit, you are permitted to make additional "catch up" contributions of up to $1,000 per year if you are age 55 or older before the close of the tax year.

PARTIAL YEAR ELIGIBILITY

If you are only covered by an HDHP for a portion of the year, or if you change HDHP coverage types (i.e., family coverage to self-only coverage or vice versa), your contribution limit for the year is prorated based on the number of months of eligibility and the type(s) of coverage, unless you qualify for the "Last-Month Rule." For assistance in determining your maximum contribution limit for a partial year of eligibility, you should consult a tax advisor.

Last-Month Rule

If you are not eligible to contribute for an entire calendar year, or change coverage type during the year, but you are eligible to contribute to an HSA on December 1 of the contribution year,[2] you may be eligible to contribute a full year's contribution based on your coverage type on December 1 if that contribution amount is more than a prorated contribution for the year based on your actual year of eligibility.

SPECIAL RULES FOR FAMILY COVERAGE

- If both you and your spouse are covered under a family HDHP and are otherwise eligible, either of you (or both) may contribute to an HSA. However, your aggregate contributions as a couple cannot exceed the family coverage annual contribution limit.
- If you and your spouse are both age 55 or older, you may both make catch-up contributions. However, you must make your catch-up contribution to your own HSA and your spouse's catch-up contribution must be made to your spouse's HSA.

Example

You have family HDHP coverage for yourself, your spouse and two children. If you and your spouse are both eligible individuals for making contributions to an HSA, you may divide the family coverage contribution limit ($8,750 for 2026) any way you wish between your respective HSAs provided the aggregate contribution does not exceed $8,750. However, if both you and your spouse are eligible for and wish to make catch-up contributions, you must each have an HSA established to receive your respective catch-up contributions (i.e., both catch-up contributions may not be made to the same spouse's HSA).

CONTRIBUTION DEADLINE

While you can make HSA contributions at any time throughout the year, you can also make contributions after the close of a tax year. The deadline for making HSA contributions for a tax year is your deadline for filing your federal tax return for that year, not including extensions.

TAX DEDUCTIONS

Contributions you make to your HSA are tax deductible, regardless of whether you itemize deductions on your federal tax return. While you cannot take a tax deduction for employer contributions that are made to your HSA, the end result is the same, as employer HSA contributions are made on a pre-tax basis (meaning such amounts are not included in your taxable income).

QUALIFIED HSA FUNDING DISTRIBUTION

If you have existing IRA savings and are eligible to contribute to an HSA, you are allowed a one-time[3] option to directly transfer your IRA assets to your HSA in a tax-free transaction called a "qualified HSA funding distribution." Your qualified HSA funding distribution cannot exceed your maximum contribution amount for the year. For assistance in determining whether a qualified HSA funding distribution is appropriate for you, you should consult a tax advisor.

[1] Family coverage is a health plan that covers the HSA owner and at least one other individual.

[2] The December 1 date assumes you are a calendar-year-filer for your federal income tax return.

[3] If you are covered by self-only health coverage at the time of the qualified HSA funding distribution, and later switch during the same year to family coverage, you may be eligible for a second qualified HSA funding distribution.