

New Electronic Payment Guidance

The IRS has issued its much anticipated follow up to its original electronic payment card guidance. Notice 2006-69 clarifies the parameters established in its original electronic payment card guidance (Notice 2003-43). While the IRS will formally publish Notice 2006-69 on July 31, 2006, an advanced copy of the guidance is available using the link below. We will be following up with a detailed analysis of the guidance in our next CONEXIS Comment newsletter.

Purpose of this follow-up Notice

This notice provides further guidance on the use of debit cards, credit cards, and stored value cards to reimburse participants in self-insured medical reimbursement plans, such as health FSAs and HRAs. This notice also clarifies certain substantiation methods and requirements that apply to all medical reimbursement plans whether or not a card is used. Finally the notice provides guidance on the use of cards to reimburse participants in dependent care assistance programs, including dependent care flexible spending arrangements.

To view the full guidance notice, please [click here](#).