

How is the Sliding Scale benefit calculated?

The Sliding Scale benefit is equal to the difference between the annual Cyert Center tuition and 10% of your family income for the prior calendar year, up to a maximum benefit of \$5,000. If 10% of your family income for the prior calendar year is equal to or greater than the annual Cyert Center tuition, you are not eligible for the Sliding Scale benefit.

How is family income determined?

Family income is based on your adjusted gross income as shown on your filed U.S. federal income tax return for the prior calendar year.

My spouse and I file separately on our U.S. federal income tax. How do we calculate family income?

If you and your spouse file U.S. federal income taxes separately, you must combine each adjusted gross income as shown on Line 37 (IRS Form 1040).

I was granted an extension on the filing of my taxes. Can I use my filed U.S. federal income tax return from two years ago until I can file for the previous year?

No. If you have not filed your U.S. federal income tax return for the prior calendar year, you must wait to apply for the Sliding Scale benefit. The Sliding Scale benefit will then be prorated and become effective on the first day of the month following the date the application is approved.

Can the Cyert Center tuition be deducted from my paycheck?

Yes. Employees who have a child enrolled at the Cyert Center must sign a payroll withholding form so that tuition is deducted from their paycheck.

How will the Sliding Scale benefit appear on my payslip?

The Sliding Scale benefit will appear as an employer paid benefit on your payslip. This amount is paid to the Cyert Center on your behalf, and you will be billed for your adjusted monthly tuition rate.

If I receive the Sliding Scale benefit, can I still contribute to the Dependent Care Reimbursement Account (DCRA)?

Yes. Please note, though, that the Cyert Center Sliding Scale benefit and the DCRA are both considered employer-provided tax-free child care benefits and are subject to a maximum total annual benefit of \$5,000 for you and your spouse. Care for Business backup care days also count toward this total. If you and/or your spouse are currently contributing to a DCRA, you should review your contribution elections. Enrollment in the Sliding Scale benefit is considered a qualifying event and allows modifications to your DCRA contributions. Requests must be made within 30 days following the effective date of the Sliding Scale benefit.

What happens if I exceed the \$5,000 limit?

IRS regulations do not limit the amount of child care benefits you can receive; the regulations only limit the amount you can receive tax-free. Any child care benefits you receive in excess of \$5,000 will be assessed federal income, Medicare and Social Security taxes.

How many children can use the benefit?

The benefit is limited to a maximum of two children per lifetime, but you can choose which children to apply the benefit to.

How is the Sliding Scale benefit calculated if I have two children attending the Cyert Center at the same time?

If you apply the benefit to two children who are attending the Cyert Center at the same time, the benefit is calculated separately for each child, taking into account the annual tuition for each child. If the combined benefit for both children meets or exceeds the \$5,000 limit, the benefit is then divided between the children up to a maximum total benefit of \$5,000.

My income is currently lower than in previous years. Can the Sliding Scale benefit reflect my current income?

No. Family income is based on your adjusted gross income as shown on your filed U.S. federal income tax return for the prior calendar year.

My income is currently much higher than in previous years. Should the Sliding Scale benefit reflect my current income?

No. Family income is based on your adjusted gross income as shown on your filed U.S. federal income tax return for the prior calendar year.

Do I need to apply for the Sliding Scale benefit each year?

Yes. Since the Sliding Scale benefit is based off of the annual tuition, the Office of Human Resources requires a new application at the start of each new program year.

Can I apply for the Sliding Scale benefit before I return the contract to the Cyert Center?

Yes. You can apply for the Sliding Scale benefit once your child has been offered a contract at the Cyert Center. You will not receive the benefit unless your child enrolls and any enrollment changes will be reflected in your benefit.

The Cyert Center is expensive, and my child will only be able to attend if the Sliding Scale benefit is approved first. How can I be certain that the Sliding Scale benefit will be approved?

We understand that sending your child to the Cyert Center can be a financial burden. Please use the Sliding Scale Benefit Estimate Worksheet found on the [HR Child Care Benefits](#) webpage to provide an estimated benefit amount. Please contact the Office of Human Resources with any questions and/or for verification.

I completed a Sliding Scale Benefit Estimate Worksheet. Do I still need to apply for the benefit?

Yes. The Sliding Scale Benefit Estimate Worksheet is a planning tool to estimate costs prior to applying for the Sliding Scale benefit. Please note that specific tuition billing information will need to be discussed with the Cyert Center.

Am I eligible for the benefit if my spouse is currently looking for work?

No. According to the IRS Publication 503, a spouse must be currently employed and earning “earned income.” If your spouse is not currently earning “earned income,” you must reapply for the Sliding Scale benefit when they become eligible.

How is the Sliding Scale benefit calculated for August?

Since each new program year begins mid-August, the Sliding Scale benefit is prorated based on the number of working days in the month and the number of working days following the start of the program year.

What if the Cyert Center offers me a spot after the June 16 deadline?

If a spot is offered after the June 16 deadline and your child is to begin attending the Cyert Center at the start of the program year, your benefit will become effective on the same day. Applications must be received prior to your child starting, or the benefit will be prorated and become effective on the first day of the month following the date the application is approved.

If a spot is offered midway through the program year, your benefit will become effective on the same day. Applications must be received prior to your child starting; the benefit will then be prorated and become effective on the first day of the month following the date the application is approved.

My spouse is not currently working. Can I reapply for the Sliding Scale benefit if/when he/she becomes eligible?

Yes. You can apply for the Sliding Scale benefit at a later date. The benefit will be prorated and become effective on the first day of the month following the date the application is approved.

What happens if I no longer meet the eligibility requirements for the Sliding Scale benefit?

If either you or your spouse (if applicable) no longer meets the eligibility requirements, the Sliding Scale benefit will end on the last day of the month in which eligibility is no longer met.