



The IRS recently announced 2026 amounts for Health Savings Accounts

The IRS recently released the 2026 inflation-adjusted amounts for Health Savings Accounts (HSAs). Employees will be able to save a modest amount more in their HSAs next year.

HSA basics

An HSA is a trust created or organized exclusively for the purpose of paying the “qualified medical expenses” of an “account beneficiary.” An HSA can only be established for the benefit of an “eligible individual” who is covered under a “high-deductible health plan” (HDHP). In addition, a participant can’t be enrolled in Medicare or have other health coverage (exceptions include dental, vision, long-term care, accident and specific disease insurance).

Within specified dollar limits, an above-the-line tax deduction is allowed for an individual’s contribution to an HSA. This annual contribution limitation and the annual deductible and out-of-pocket expenses under the tax code are adjusted annually for inflation.

Inflation adjustments for next year

In Revenue Procedure 2025-19, the IRS released the 2026 inflation-adjusted figures for contributions to HSAs. For calendar year 2026, the annual contribution limitation for an individual with self-only coverage under an HDHP will be \$4,400. For an individual with family coverage, the amount will be \$8,750. These are up from \$4,300 and \$8,550, respectively, in 2025.

There's an additional \$1,000 “catch-up” contribution amount for those age 55 or older in 2026 (and 2025).

An HDHP is generally a plan with an annual deductible that isn't less than \$1,700 for self-only coverage and \$3,400 for family coverage in 2026 (up from \$1,650 and \$3,300, respectively, in 2025). In addition, in 2026, the sum of the annual deductible and other annual out-of-pocket expenses required to be paid under the plan for covered benefits (but not for premiums) can't exceed \$8,500 for self-only coverage and \$17,000 for family coverage. In 2025, these amounts are \$8,300 and \$16,600, respectively.

Advantages of HSAs

There are a variety of benefits to HSAs. Contributions to the accounts are made on a pre-tax basis. The money can accumulate tax-free year after year and can be withdrawn tax-free to pay for a variety of medical expenses such as doctor visits, prescriptions, chiropractic care and premiums for long-term care insurance. In addition, an HSA is “portable” — it stays with an account holder if he or she changes employers or leaves the workforce. Contact us if you have questions about HSAs at your business.

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