Revenue Procedures

Rev. Proc. 2026-24, 2026-25 IRB 1582, 05/29/2026, IRC Sec(s). 223

Health savings accounts-health reimbursement arrangements-annual inflation adjustments.

Headnote:

IRS released 2027 inflation-adjusted figures for contributions to HSAs and maximum amount that may be made newly available for excepted benefit HRAs. Annual limitation on deductions for individual with self-only coverage under high deductible health plan is $4,500, and for individual with family coverage under high deductible health plan is $9,000. "High deductible health plan" is defined as plan with annual deductible of not less than $1,750 for self-only coverage or not less than $3,500 for family coverage, and where annual out-of-pocket expenses don't exceed $8,700 (self-only) or $17,400 (family coverage). Also, maximum amount that may be made newly available for plan year for excepted benefit HRA under **Reg § 54.9831-1(c)(3)(vii)** is $2,250.

Reference(s): **Code Sec. 223;** **Code Sec. 9831;**

Full Text:

Part III

Administrative, Procedural, and Miscellaneous

26 CFR 601.602: Tax forms and instructions.

(Also: Part I, §§ 1, 223, Part III § 54.9831-1)

1. PURPOSE

This revenue procedure provides the 2027 inflation adjusted amounts for Health Savings Accounts (HSAs) as determined under section 223 of the Internal Revenue Code (Code) and the maximum amount that may be made newly available for excepted benefit health reimbursement arrangements (HRAs) provided under § 54.9831-1(c)(3)(viii) of the Pension Excise Tax Regulations.

2. LEGISLATIVE CHANGES

.01. **Section 71308 of Public Law 119-21** , 139 Stat. 72, 325-326 (July 4, 2025), commonly known as the One, Big, Beautiful Bill Act, added section 223(c)(1)(E) to the Code. Under section 223(c)(1)(E), a direct primary care service arrangement (DCPSA) shall not be treated as a health plan for the purposes of section 223(c)(1)(A)(ii) provided that, with respect to any individual for any month, the aggregate fees for all DPCSAs with respect to the individual do not exceed $150 ($300 in the case of an individual with any DPCSA that covers more than one individual). Section 223(c)(1)(E) is effective for months beginning after December 31, 2025. The $150 and $300 amounts are adjusted for inflation for months beginning after December 31, 2026.

3. 2027 INFLATION ADJUSTED ITEMS

.01. HSA Inflation Adjusted Items.

(1) Annual contribution limitation. For calendar year 2027, the annual limitation on deductions under section 223(b)(2)(A) for an individual with self-only coverage under

a high deductible health plan is $4,500. For calendar year 2027, the annual limitation on deductions under § 223(b)(2)(B) for an individual with family coverage under a high deductible health plan is $9,000.

(2) Maximum monthly aggregate fees for all DPCSAs. For calendar year 2027, a DPCSA is not treated as a health plan with respect to an otherwise eligible individual if the aggregate monthly fees for all DPCSAs with respect to the individual do not exceed $150 or, if the individual is covered by a DPCSA that covers more than one individual, $300.

(3) High deductible health plan. For calendar year 2027, a "high deductible health plan" is defined under section 223(c)(2)(A) as a health plan with an annual deductible that is not less than $1,750 for self-only coverage or $3,500 for family coverage, and for which the annual out-of-pocket expenses (deductibles, co-payments, and other amounts, but not premiums) do not exceed $8,700 for self-only coverage or $17,400 for family coverage.

.02. HRA Inflation Adjusted Item.

For plan years beginning in 2027, the maximum amount that may be made newly available for the plan year for an excepted benefit HRA under § 54.9831-1(c)(3)(viii) is $2,250. See § 54.9831-1(c)(3)(viii)(B)(1) for further explanation of this calculation.

4. EFFECTIVE DATE

This revenue procedure is effective for HSAs for calendar year 2027, for DPCSAs for months beginning in calendar year 2027, and for excepted benefit HRAs for plan years beginning in 2027.

5. DRAFTING INFORMATION

The principal author of this revenue procedure is Michael Finn of the Office of Associate Chief Counsel (Income Tax & Accounting). For further information regarding the calculations in this revenue procedure contact Mr. Finn at (202) 317-4718 (not a toll-free number). For further information regarding section 223, HSAs, DPCSAs and excepted benefit HRAs, contact the Health and Welfare Branch in the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes) at (202) 317-5500 (not a toll-free number).

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