

Medical and Dental Expenses – TAX deductible or not?

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If you itemize your deductions on Form 1040, Schedule A, you may be able to deduct expenses you paid that year for medical and dental care for yourself, your spouse, and your dependents. If you simply file a standard short form, these expenses will not be deductible.

A deduction is allowed only for expenses paid for the prevention or alleviation of a physical or mental defect or illness. Medical care expenses include payments for the diagnosis, cure, mitigation, treatment, or prevention of disease, or treatment affecting any structure or function of the body. The cost of drugs is deductible only for drugs that require a prescription, except for insulin.

Deductible medical expenses include:

- Insurance premiums paid for accident and health or qualified long-term care
- Fees paid to doctors, dentists, surgeons, chiropractors, psychiatrists, psychologists, and Christian Science practitioners
- Payments for hospital services, qualified long-term care services, nursing services, and laboratory fees
- Payments for acupuncture treatments
- Inpatient treatment at a center for alcohol or drug addiction
- The cost of participating in a weight-loss program for a specific disease or diseases, including obesity, diagnosed by a physician. You may not deduct the cost of purchasing diet food items
- Expenses for admission and transportation to a medical conference relating to the chronic disease of yourself, your spouse, or your dependent (if the costs are primarily for and essential to the medical care). However, you may not deduct the costs for meals and lodging while attending the medical conference.
- Cost of items such as false teeth, prescription eyeglasses or contact lenses, laser eye surgery, hearing aids, crutches, wheelchairs, and guide dogs for the blind or deaf



You may not deduct :

- Funeral or burial expenses
- Health club dues
- Over-the-counter medicines, toothpaste, toiletries, cosmetics, a trip or program for the general improvement of your health
- Most cosmetic surgery
- Insurance premiums for life insurance, for policies providing for loss of wages because of illness or injury, or policies that pay you a guaranteed amount each week for a sickness
- Insurance premiums paid by an employer-sponsored health insurance plan (cafeteria plan) unless the premiums are included in Box 1 of your W-2.



Transportation costs primarily for and essential to medical care qualify as medical expenses. The actual fare for a taxi, bus, train, or ambulance can be deducted. If you use your car for medical transportation, you can deduct actual out-of-pocket expenses such as gas and oil, or you can deduct the standard mileage rate for medical expenses. With either method you may include tolls and parking fees.

You may deduct only the amount by which your total medical care expenses for the year exceed 7.5% of your adjusted gross income.

However, if you are self-employed and have a net profit for the year, or if you are a partner in a partnership or a shareholder in an S corporation, you may be able to deduct, as an adjustment to income, 100% of the amount you pay for medical insurance for yourself and your spouse and dependents. You can include the remaining premiums with your other medical expenses as an itemized deduction.