Medical Expenses

Cross References
• Schedule A (Form 1040), Itemized Deductions
• IRS Pub. 502, Medical and Dental Expenses
• IRS Pub. 554, Tax Guide for Seniors
• IRC §213, Medical, dental, etc., expenses

Related Topics
• Self-employed health insurance deduction, page 5-9
• Premium Tax Credit, page 11-12
• Health Benefits (IRC §105 and IRC §106), Tab 13
• Health Savings Accounts (HSAs), Tab 13

AGI Limit for Medical Expenses
Qualified medical expenses are deductible as itemized deductions on Schedule A, Form 1040, to the extent they exceed the annual AGI limit.

<table>
<thead>
<tr>
<th>Tax Year</th>
<th>Annual AGI Limit</th>
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</thead>
<tbody>
<tr>
<td>2015</td>
<td>7.5% of AGI for taxpayers born before January 2, 1950 (either spouse if MFJ).</td>
</tr>
<tr>
<td></td>
<td>10% of AGI for all others.</td>
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<tr>
<td>2016</td>
<td>7.5% of AGI for taxpayers born before January 2, 1951 (either spouse if MFJ).</td>
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<tr>
<td></td>
<td>10% of AGI for all others.</td>
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<tr>
<td>2017</td>
<td>10% of AGI for all taxpayers.</td>
</tr>
</tbody>
</table>

What Medical Expenses Are Deductible
Definition. Medical expenses are the costs of diagnosis, cure, mitigation, treatment, or prevention of disease, and the costs for treatments affecting any part or function of the body. They include the costs of equipment, supplies, and diagnostic devices needed for these purposes. They must be primarily to alleviate or prevent a physical or mental defect or illness.

Deductible medical expenses. This list is not all-inclusive. A more detailed list can be found in IRS Pub. 502, Medical and Dental Expenses.
• Abortion. Medical expenses for a legal abortion.
• Acupuncture.
• Alcoholism. Treatment costs at a therapeutic center for alcohol addiction, including meals and lodging at the center during treatment. Also includes transportation to and from AA meetings, if attending meetings on medical advice. (Rev. Rul. 73-325)
• Ambulance.
• Artificial limb.
• Artificial teeth.
• Bandages. The cost of medical supplies such as bandages, even without a prescription.
• Birth control pills. Must be prescribed by a doctor. (Rev. Rul. 73-200)
• Body scan. Electronic body scan. (Rev. Rul. 2007-72)
• Braces.
• Braille books and magazines. Cost that exceeds the regular printed edition of the book or magazine.
• Breast pumps and supplies. Lactation assistance. (Announcement 2011-14)
• Breast reconstruction surgery. Including breast prosthesis, following a mastectomy for cancer.
• Capital expenses. See Capital Expenses Deductible as Medical Expenses, page 4-5.
• Cars. The cost of special hand controls and other special equipment installed for the use of a disabled person.
• Chiropractor.
• Contact lenses. Including supplies required for using contact lenses, such as saline solution and enzyme cleaner.
• Crutches.
• Dental treatment. Including teeth cleaning, sealants, fluoride treatments, treatment to alleviate dental disease including X-rays, fillings, braces, extractions, dentures, and other dental ailments. Teeth whitening is not deductible.
• Diagnostic devices. Cost of devices used in diagnosing and treating illness and disease, such as a blood sugar test kit for a diabetic, even without a prescription.
• Disabled dependent care expenses. See Disabled Dependent Care Expenses, page 4-6.
• Drug addiction. Inpatient treatment costs at a therapeutic center for drug addiction, including meals and lodging at the center during treatment.
• Drugs. See Medicines, page 4-7.
• Equipment. See Capital Expenses Deductible as Medical Expenses, page 4-5.
• Eye exam.
• Eyeglasses. Payment for eyeglasses and contact lenses needed for medical reasons. See Contact lenses, above.
• Eye surgery. Including laser eye surgery and radial keratotomy.
• Fertility enhancement. Such as in vitro fertilization (including temporary storage of eggs or sperm), and surgery to reverse prior surgery that prevented the person from having children.
• Guide dog or other service animal. Costs of buying, training, and maintaining a guide dog or service animal to assist a visually impaired or hearing disabled person, or a person with other physical disabilities.
• Health institute. Fees paid for treatment at a health institute only if the treatment is prescribed by a physician, and the physician issues a statement that the treatment is necessary to alleviate a physical or mental defect or illness.
• Health Maintenance Organization (HMO). These amounts are treated the same as medical insurance premiums.
• Hearing aids. Including the cost of batteries, repairs and maintenance needed to operate the hearing aids.
• Home care. See Nursing Services—Nonprofessional, page 4-7.
• Home improvements. See Capital Expenses Deductible as Medical Expenses, page 4-5.
• Hospital services. The cost of inpatient care at a hospital or similar institution.
• Insulin. See Medicines, page 4-7.
• Insurance premiums. See Insurance Premiums, page 4-6.
• Insurance premiums for qualified long-term care contracts. See Qualified long-term care insurance contracts, page 4-6.
• Laboratory fees.
• Lead-based paint removal. The cost of removing (but not the cost of repainting) lead-based paints from surfaces in the home to prevent a child who has or had lead poisoning from eating the paint. If, instead of removing the paint, the area is covered with wallboard or paneling, treat these as capital expenses. See Capital Expenses Deductible as Medical Expenses, page 4-5.
• Legal fees. Legal fees paid to authorize treatment for mental illness.
• Lifetime care. See Lifetime Care Advance Payments, page 4-6.
• Lodging. See Lodging Expenses for Medical Care, page 4-6.
• Long-term care. See Long-Term Care, page 4-6.
• Meals. Meals that are not part of inpatient care are nondeductible.
• Medical conferences. Admission and transportation to a medical conference if the conference concerns the chronic illness of the taxpayer, spouse, or dependent. The costs of the medical conference must be primarily for, and necessary to the
medical care. The majority of the time spent at the conference must be spent attending sessions on medical information. Meals and lodging while attending the conference are not deductible.

- **Medical information plan.** Amounts paid to a plan that keeps medical information in a computer data bank and retrieves and furnishes the information to a physician upon request.
- **Medicare Part A.** Taxpayers not covered under Social Security can voluntarily enroll in Medicare Part A. In this situation, a taxpayer can deduct premiums paid for Medicare Part A.
- **Medicare Part B.** See Medical Expenses, page 4-1.
- **Medicare Part D.** Prescription drug insurance premiums.
- **Medicines.** See Medicines, page 4-7.
- **Nursing home.** See Nursing Home, page 4-7.
- **Nursing services.** See Nursing Services—Nonprofessional, page 4-7.
- **Nutritional supplements and vitamins.** Deductible only if they are recommended by a medical practitioner as treatment for a specific medical condition diagnosed by a physician. Items taken to maintain ordinary good health are not deductible.
- **Operations.** Amounts paid for legal operations that are not for unnecessary cosmetic surgery. See Nondeductible medical expenses, next column.
- **Optometrist.**
- **Osteopath.**
- **Oxygen.** Oxygen and oxygen equipment to relieve breathing problems caused by a medical condition.
- **Physical examination.** Annual physical examination and diagnostic tests by a physician. The taxpayer does not need to be ill at the time of the examination.
- **Pregnancy test kit.**
- **Prepaid insurance premiums.** See Insurance Premiums, page 4-6.
- **Prescription drugs.** See Medicines, page 4-7.
- **Prosthesis.**
- **Psychiatric care.** Includes the cost of supporting a mentally ill dependent at a specially equipped medical center where the dependent receives medical care.
- **Psychoanalysis.** Payments for psychoanalysis is deductible, however, payments for psychoanalysis that is part of required training to be a psychoanalyst cannot be included. Expenses for marriage counseling is not deductible (Rev. Rul. 75-319)
- **Psychologist.**
- **Qualified long-term care services.** See Qualified long-term care services, page 4-6.
- **Self-initiated medical diagnostic tests.** Amount paid by health individuals for self-initiated diagnostic tests and similar procedures are deductible as medical expenses, even if no symptoms of illness exist and no physician’s recommendation is obtained. (Rev. Rul. 2007-72 and Magdalin, T.C. Memo 2008-293)
- **Sex reassignment surgery and related hormone therapy.** Treatment of gender identity disorder disease. This is a reversal of the previous IRS position. (O’Donnabhain, 134 T.C. No. 34.)
- **Special education.** See Special Education, page 4-7.
- **Sterilization.**
- **Stop-smoking programs.** Do not include amounts paid for nonprescription drugs such as nicotine gum or patches. (Rev. Rul. 99-28)
- **Surgery.** See Operations, above.
- **Telephone.** The cost of special telephone equipment for the hearing impaired, including repair costs.
- **Television.** The cost of equipment that displays the audio part of television programs for the hearing impaired. This may include the cost of an adapter or the cost of a specially equipped television that exceeds the cost of the same model regular television set. (Rev. Rul. 80-340)
- **Therapy.** Costs of therapy received as medical treatment.

- **Transplants.** Amounts paid for medical care received as an organ donor or possible organ donor. This includes transportation. (Rev. Rul. 68-452 and Rev. Rul. 73-189)
- **Transportation to obtain medical care.** See Transportation, page 4-7.
- **Travel.** Includes transportation to another city if the trip is primarily for, and essential to, receiving medical services. See Lodging Expenses for Medical Care, page 4-6.
- **Vasectomy.**
- **Veterinary fees.** Only if incurred to maintain the health of a guide dog or other service animal so that it may perform its duties assisting a person with physical disabilities.
- **Vitamins.** Deductible only if they are recommended by a medical practitioner as treatment for a specific medical condition diagnosed by a physician.
- **Wheelchair.** Includible if used mainly for relief of sickness or disability, and not just to provide transportation to and from work. The cost of operating and maintaining the wheelchair is also a medical expense.
- **Wig.** Purchased on advice of a physician for the mental health of a patient who lost his or her hair from disease.
- **X-ray.**

**Nondeductible medical expenses.** This list is not all-inclusive. A more detailed list can be found in IRS Pub. 502, Medical and Dental Expenses.

- **Controlled substances.** Amounts paid for controlled substances, such as marijuana, even if such substances are legalized by state law.
- **Cosmetic surgery.** Cosmetic surgery, unless the surgery is necessary to improve a deformity from a congenital abnormality, injury, or disfiguring disease.
- **Dancing lessons.** Dancing lessons, swimming lessons, etc., even if they are recommended by a doctor, if they are only for the improvement of general health.
- **Flexible spending account.** Do not include in medical expenses, amounts for which the taxpayer is reimbursed by a flexible spending account if the contribution is on a pre-tax basis.
- **Funeral expenses.** However, they are deductible on the decedent’s federal estate tax return. See Funeral expenses, Tab 21, Deluxe Edition/Small Business Edition.
- **Health club dues.** Health club dues or amounts paid to improve one’s general health or to relieve physical or mental discomfort not related to a particular medical condition.
- **Household help.** Household help is a personal nondeductible expense even if recommended by a doctor. Certain expenses providing nursing-type services may be deductible. See Nursing Services—Nonprofessional, page 4-7.
- **Illegal operations and treatments.**
- **Medicines and drugs from other countries.** See Medicines, page 4-7.
- **Nutritional supplements.** Deductible only if recommended by a medical practitioner as treatment for a specific medical condition diagnosed by a physician.
- **Over-the-counter drugs.** The cost of drugs purchased without a prescription is not deductible as a medical expense.
- **Prepaid medical care.** Current payments for care to be provided substantially beyond the end of the year are not deductible as medical expenses, except for lifetime care advance payments and payments for long-term care insurance. See Lifetime CareAdvance Payments, page 4-6, and Long-Term Care, page 4-6.
- **Weight-loss program.** See Weight-Loss Program, page 4-7.