

Not Too Well Known Medical/Dental Expense Deductions

Generally, it's difficult to use medical & dental expenses for income tax deductions. These expenses must exceed 7.5% of your Adjusted Gross Income (AGI), Form 1040 line 38. Not only that, but your itemized deductions must exceed your standard deduction. However, if your itemized deductions exceed your standard deduction, it may be worth looking at your medical and dental expenses paid during the tax year.

Let's assume that your filing status is married filing jointly. In this example, the 2010 standard deduction is \$11,400. Your itemized deductions exceed the standard deduction, so you want to look at your medical expenses to see if you can get deductions for them. Continuing with this example, your AGI is \$100,000 putting your medical expenses threshold at \$7,500 (7.5% of \$100,000). Now, what medical expenses are deductible? Here are some not too well known potentially deductible expenses. The list is not complete, and I tried to list only those that could be high dollar, and not too well known. Remember, allowable deductions are only for you, your spouse, and your dependents.

- 1) Braces
- 2) Prescription eyeglasses & contacts
- 3) Artificial Teeth
- 4) Fertility Enhancement
- 5) Hearing Aids (and batteries)
- 6) Eye Surgery (such as laser eye surgery and radial keratotomy)
- 7) Home Care
- 8) Home Improvements for medical reasons related to special equipment.
- 9) Long-Term Care
- 10) Nursing Home
- 11) Psychiatric/Psychoanalysis/Psychologist

For more info contact Brycast or read IRS Pub 502 www.irs.gov/pub/irs-pdf/p502.pdf for a detailed explanation of expenses.

There is one thing I would like to mention regarding a dependent. This is very important if you are divorced, not your child's custodial parent, and pay for some of all of your child's medical/dental expenses. For purposes of medical and dental expenses deduction, a child of divorced or separated parents can be treated as a dependent of both parents. There are some restrictions, but you may be able to claim the expenses deduction on your tax return. Please contact Brycast, or refer to IRS Pub 17 www.irs.gov/pub/irs-pdf/p17.pdf for more info.

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