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## Seven Important Tax Facts about Medical and Dental Expenses

If you paid for medical or dental expenses in 2012, you may be able to get a tax deduction for costs not covered by insurance. The IRS wants you to know these seven facts about claiming the medical and dental expense deduction.

- 1. You must itemize.** You can only claim medical and dental expenses for costs not covered by insurance if you itemize deductions on your tax return. You cannot claim medical and dental expenses if you take the standard deduction.
- 2. Deduction is limited.** You can deduct medical and dental expenses that are more than 7.5 percent of your adjusted gross income.
- 3. Expenses paid in 2012.** You can include medical and dental costs that you paid in 2012, even if you received the services in a previous year. Keep good records to show the amount that you paid.
- 4. Qualifying expenses.** You may include most medical or dental costs that you paid for yourself, your spouse and your dependents. Some exceptions and special rules apply. Visit [IRS.gov](http://IRS.gov) for more details.
- 5. Costs to include.** You can normally claim the costs of diagnosing, treating, easing or preventing disease. The costs of prescription drugs and insulin qualify. The cost of medical, dental and some long-term care insurance also qualify.
- 6. Travel is included.** You may be able to claim the cost of travel to obtain medical care. That includes the cost of public transportation or an ambulance as well as tolls and parking fees. If you use your car for medical travel, you can deduct the actual costs, including gas and oil. Instead of deducting the actual costs, you can deduct the standard mileage rate for medical travel, which is 23 cents per mile for 2012.
- 7. No double benefit.** Funds from Health Savings Accounts or Flexible Spending Arrangements used to pay for medical or dental costs are usually tax-free. Therefore, you cannot deduct expenses paid with funds from those plans.