

You Can Get 100% Reimbursement for your Weight Loss and/or Smoking Cessation Hypnotherapy Programs with an I.R.S. Tax Credit.

Tax laws passed for 2003 onwards mean you can get a tax credit that reimburses you 100% for money paid for smoking programs.

You can also be reimbursed 100% for weight loss programs if you were advised by a physician to lose weight.

This is a tax credit - not a tax deduction, so that means 100% credit on your taxes!

Stop Smoking Programs

You can include in medical expenses amounts you pay for a program to stop smoking. However, you cannot include in medical expenses amounts you pay for drugs that do not require a prescription, such as nicotine gum or patches that are designed to help stop smoking.

Weight Loss Programs

You can include in medical expenses amounts you pay to lose weight if it is a treatment for a specific disease diagnosed by a physician (such as obesity, hypertension, diabetes or heart disease). This includes fees you pay for membership in a weight reduction group and attendance at periodic meetings. You cannot include membership dues in a gym, health club, or spa as medical expenses, but you can include separate fees charged there for weight loss activities.

How to Report

To claim the credit, complete Form 8885, Health Coverage Tax Credit, and attach it to your Form 1040 or Form 1040NR. Report the credit on Form 1040, line 67, or Form 1040NR, line 62, and check box c. You cannot claim the credit on Form 1040A or Form 1040EZ.

You must attach invoices and proof of payment for any amounts you include on line 2 of Form 8885 for which you did not receive an advance payment. If you file your return electronically, attach the invoices and proof of payment to your Form 8453. Proof of payment may include a pay stub if insurance is through a spouse's employment, a bank check, or bank statement for premiums that are automatically deducted from your account.

If you claim this credit, you cannot take the same expenses that you use to figure your health coverage tax credit into account in determining your:

Medical and dental expenses on Schedule A (Form 1040) 9/3/2005

Self Employed health insurance distributions

Archer Medical Savings Account (MSA) distributions

[No liability is accepted for this information. You should seek advice from your tax accountant or other professional advisor]