

# Dental Insurance and Your Tax Return

**Do you qualify for a deduction?** The IRS allows taxpayers to take a dental deduction only when the amount of all reported dental + medical expenses exceeds 7.5 percent of adjusted gross income (AGI x .075; see chart below).

**YES**

**Does it make sense to take the deduction?**

- Will itemizing all deductions (not just medical/dental) provide the greatest tax savings overall?

**Who is covered:**

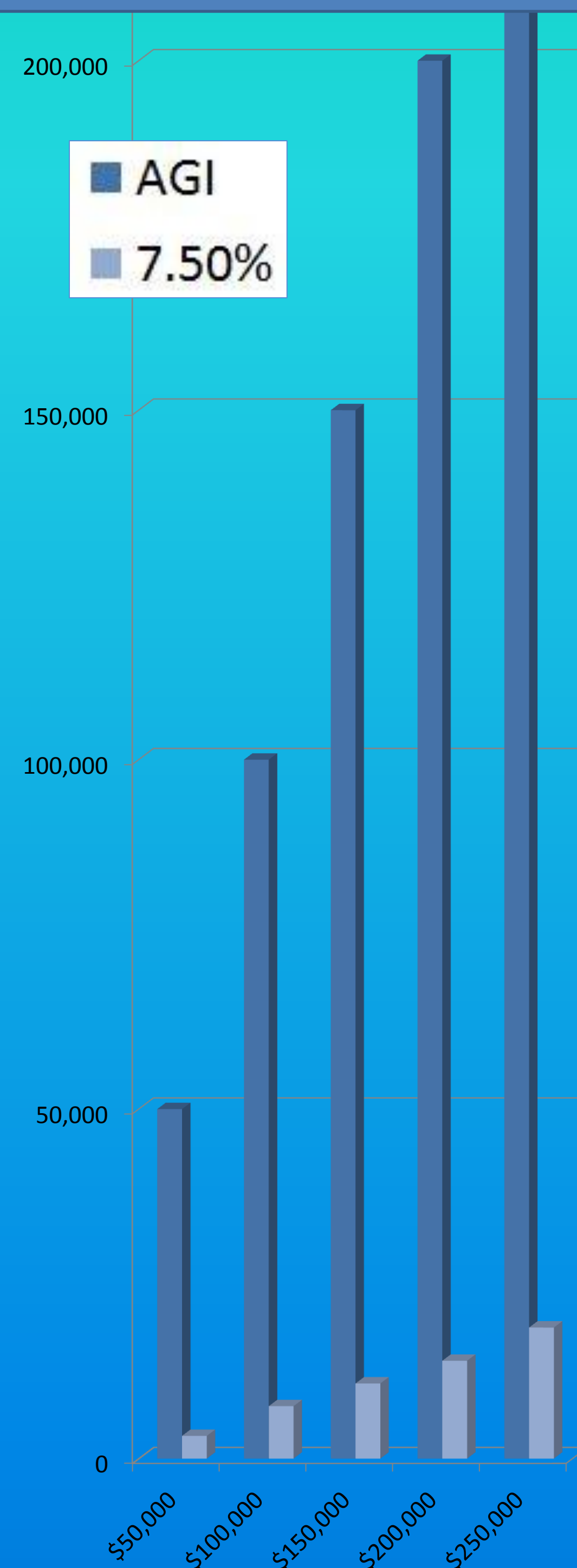
- The taxpayer
- The taxpayer's spouse
- The taxpayer's legal dependents

**Expenses that qualify:**

- Items paid for during the tax year being reported
- Prevention and diagnosis
- Treatment and prescription meds
- Insurance premiums
- Out-of-pocket and transportation costs

**Expenses that do not qualify:**

- Cosmetics
- Whitening
- Reimbursed expenses



**NO**

## Health Savings Accounts and Other Tax-Favored Health Plans

**HSA**

### Health Savings Accounts (HSAs)

- A tax-exempt trust or custodial account available to U.S. taxpayers
- No permission or authorization from the IRS is needed to set up an HSA
- May be used to pay for qualified dental expenses at any time without liability or penalty
- Contributions made by an employer may be excluded from gross income
- Funds remain in the account from year to year until used
- Interest or other earnings on the assets are tax free

**FSA**

### Flexible Spending Arrangements (FSAs)

- Allows employees to be reimbursed for medical expenses
- There are no reporting requirements

**About DentalInsurance.com**

Based in Los Angeles, CA, DentalInsurance.com has been the preeminent dental insurance and dental discount plan comparison shopping experience since 2001. A leading innovator and provider of dental insurance and discount protection to individuals and employers, DentalInsurance.com was the first company to enable consumers to compare, apply for, and purchase dental insurance and discount protection from top-rated insurance carriers online via the company's website at [www.dentalinsurance.com](http://www.dentalinsurance.com). Working diligently to deliver the most competitive carriers and plans nationwide, DentalInsurance.com provides individuals, families, and businesses quality dental coverage to fit every budget and lifestyle.

**Resources:**

- For additional information on HSAs and FSAs, see IRS Publication 969, Health Savings Accounts and Other Tax-Favored Health Plans, ([PDF](#))
- For additional information on dental deductions and benefits, see IRS Publication 502, Medical and Dental Expenses ([PDF](#))
- For general tax-related information, see <http://www.irs.gov> or call 800-TAX-FORM (800-829-3676)