

**SPECIAL
REPORT**



PERSONAL TRAINING MAY BE TAX DEDUCTIBLE



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Does finding tax relief while working out sound too good to be true? Surprisingly, you may be able to financially benefit from your personal training by deducting the session costs on your tax returns this year. According to the Internal Revenue Service, there are certain medical expenses that can be deducted on your tax returns, which may include personal training, in some instances. Read on to determine whether you are eligible to deduct your personal training expenses and experience some healthy tax relief this season.

For detailed information, visit <http://www.irs.gov>. Also, make sure to always consult with your trusted financial advisor to confirm that your personal training sessions are tax deductible. This packet is provided for informational only purposes.

WHAT ARE MEDICAL EXPENSES?

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. Medical care expenses must be primarily to alleviate or prevent a physical or mental defect or illness. They do not include expenses that are merely beneficial to general health, such as vitamins or a vacation.

WHAT EXPENSES CAN YOU INCLUDE THIS YEAR?

You can include only the medical and dental expenses you paid this year, regardless of when the services were provided. You cannot include medical expenses that were paid by insurance companies or other sources. This is true whether the payments were made directly to you, to the patient, or to the provider of the medical services.

HOW MUCH OF THE EXPENSES CAN YOU DEDUCT?

You can deduct only the amount of your medical and dental expenses that is more than 7.5% of your adjusted gross income (Form 1040, line 38).

Example: Your adjusted gross income is \$40,000, 7.5% of which is \$3,000. You paid medical expenses of \$2,500. You cannot deduct any of your medical expenses because they are not more than 7.5% of your adjusted gross income.

WHOSE MEDICAL EXPENSES CAN YOU INCLUDE?

You can generally include medical expenses you pay for yourself, as well as those you pay for someone who was your spouse or your dependent either when the services were provided or when you paid for them.

WHAT MEDICAL EXPENSES ARE INCLUDIBLE?

According to the IRS (www.irs.gov) the following is a list of items that you can include in figuring your medical expense deduction.

HEALTH INSTITUTE

You can include in medical expenses fees you pay 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 of the individual receiving the treatment.

WEIGHT-LOSS PROGRAM

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, or heart disease). This includes fees you pay for membership in a weight reduction group as well as fees for 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.

You cannot include the cost of diet food or beverages in medical expenses because the diet food and beverages substitute for what is normally consumed to satisfy nutritional needs. You can include the cost of special food in medical expenses only if:

- The food does not satisfy normal nutritional needs,
- The food alleviates or treats an illness, and
- The need for the food is substantiated by a physician.

The amount you can include in medical expenses is limited to the amount by which the cost of the special food exceeds the cost of a normal diet.

WHAT EXPENSES ARE NOT INCLUDIBLE?

The following is a list of some items that you cannot include in figuring your medical expense deduction.

HEALTH CLUB DUES

You cannot include in medical expenses 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.

NUTRITIONAL SUPPLEMENTS

You cannot include in medical expenses the cost of nutritional supplements, vitamins, herbal supplements, "natural medicines," etc. unless they are recommended by a medical practitioner as treatment for a specific medical condition diagnosed by a physician. Otherwise, these items are taken to maintain your ordinary good health, and are not for medical care.

WEIGHT-LOSS PROGRAM

You cannot include in medical expenses the cost of a weight-loss program if the purpose of the weight loss is the improvement of appearance, general health, or sense of well-being. You cannot include amounts you pay to lose weight unless the weight loss is a treatment for a specific disease diagnosed by a physician (such as obesity, hypertension, or heart disease). If the weight-loss treatment is not for a specific disease diagnosed by a physician, you cannot include either the fees you pay for membership in a weight reduction group or fees for attendance at periodic meetings. Also, you cannot include membership dues in a gym, health club, or spa.

HOW DO YOU FIGURE AND REPORT THE DEDUCTION?

Once you have determined which medical care expenses you can include, figure and report the deduction on your tax return. *Remember for detailed information, visit <http://www.irs.gov>. Also, make sure to always consult with your trusted financial advisor to confirm that your personal training sessions are tax deductible. This packet is provided for informational only purposes.*

WHAT DO I NEED FROM MY DOCTOR?

Fitness Together recommends that you have your doctor or medical practitioner fill out an Exercise Prescription Form (available at your local Fitness Together Studio).

WHAT TAX FORM DO YOU USE?

You report your medical expense deduction on Schedule A, Form 1040. You cannot claim medical expenses on Form 1040A, U.S. Individual Income Tax Return, or Form 1040EZ, Income Tax Return for Single and Joint Filers With No Dependents.

THE FUTURE

Fitness Together looks forward to supporting your efforts to qualify for this deduction as we believe it can help keep your training costs down. We would be happy to speak with your doctor or accountant if they have any questions.

Contact us today for more information and to schedule an initial fitness assessment. As you know, spring is a great time to get started on reaching your health and fitness goals!

