

Legislative Brief

IRS Announces Breast Pumps Are Tax Deductible



IRS Announcement 2011-14

On Feb. 10, 2011, the IRS issued Announcement 2011-14, in which it concluded that breast pumps and supplies that assist lactation qualify as “medical care” under Section 213(d) of the Internal Revenue Code (the Code). The IRS compared these items to obstetric care, stating that they are for the purpose of “affecting a structure or function of the body” of the lactating woman. This conclusion is a reversal of the IRS’s previous position on the tax treatment of these items.

The IRS’s interpretation may affect individual taxpayers, as well as sponsors and administrators of health flexible spending accounts (health FSAs) and health reimbursement arrangements (HRAs). The IRS plans to revise [Publication 502, Medical and Dental Expenses](#), to include this new information.

Please read below for more information and contact Turner, Wood and Smith with any questions about your plan. For a copy of IRS Announcement 2011-14, see www.irs.gov/pub/irs-drop/a-11-14.pdf.

Affect on Individuals

The new IRS position can potentially benefit individual taxpayers that are eligible to deduct their medical expenses. It means that expenses paid for breast pumps and supplies that assist lactation may be tax-deductible medical expenses for the individual. In order to take the tax deduction for these items, the individual taxpayer must meet the other applicable requirements of Code Section 213. For example, the taxpayer’s total medical expenses must exceed 7.5 percent of his or her adjusted gross income.

Affect on Plan Sponsors

The IRS stated in its announcement that amounts reimbursed for breast pumps and supplies that assist lactation under Health FSAs, Archer medical savings accounts, HRAs, or health savings accounts are not income to the taxpayer.

Accordingly, plan administrators may reimburse participants for costs for breast pumps and lactation supplies. They no longer will need to determine whether these items qualify as dual purpose expenses or require documentation from a medical practitioner that the item is recommended to treat a medical condition.

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