



Are you missing a valuable tax deduction for Medicare premiums?

If you're age 65 or older and enrolled in basic Medicare insurance, you may need to pay additional premiums to receive more comprehensive coverage. These extra premiums can be expensive, particularly for married couples, since both spouses incur the costs. However, there may be a silver lining: You could be eligible for a tax deduction for the premiums you pay.

Deducting medical expenses: What counts?

For purposes of claiming an itemized deduction for medical expenses on your tax return, you can combine premiums for Medicare health insurance with other eligible medical expenses. These include amounts for "Medigap" insurance and Medicare Advantage plans. Some people buy Medigap policies because Medicare Parts A and B don't cover all their health care expenses. Coverage gaps include co-payments, coinsurance, deductibles and other costs. Medigap is private supplemental insurance that's intended to cover some or all gaps.

Is itemizing required?

Qualifying for a medical expense deduction can be difficult for many people for several reasons. For 2025, you can deduct medical expenses only if you itemize deductions on Schedule A of Form 1040 and only to the extent that total qualifying expenses exceed 7.5% of adjusted gross income.

In recent years, many people haven't been itemizing because their itemized deductions are less than their standard deductions. For 2025, the standard deduction amounts are

\$15,000 for single filers, \$30,000 for married couples filing jointly and \$22,500 for heads of household. (Under The One, Big, Beautiful Bill being considered by Congress, these amounts would increase. If the bill is enacted, the standard deduction will increase for 2025 through 2028 by an additional \$1,000 for singles, \$2,000 for married joint filers and \$1,500 for heads of households.)

Note: Self-employed people and shareholder-employees of S corporations don't need to itemize to get tax savings. They can generally claim an *above-the-line* deduction for their health insurance premiums, including Medicare premiums.

What other expenses qualify?

In addition to Medicare premiums, you can deduct various medical expenses, including those for dental treatments, doctor visits, ambulance services, dentures, eye exams, eyeglasses and contacts, hearing aids, hospital visits, lab tests, qualified long-term care services, prescription medicines and others.

There are also many other items that Medicare doesn't cover that can be deducted for tax purposes if you qualify. And itemizers can deduct transportation expenses to get to and from medical appointments. If you go by car, you can deduct a flat 21 cents-per-mile rate in 2025, or you can keep track of your actual out-of-pocket expenses for gas, oil, maintenance and repairs.

Claim all eligible expenses

Contact us if you have any questions about whether you're able to claim medical expense deductions on your tax return. We'll help ensure you claim all the tax breaks you're entitled to.



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