

I.R.S. Tax Credit for Hypnosis

You may be able to qualify for 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 also may be reimbursed 100% for weight loss programs if you were advised by a physician to lose weight for weight loss is a treatment for a specific disease diagnosed by a physician (such as obesity, hypertension, or heart disease). This is a tax credit – not a tax deduction, so that means 100% possible credit on your taxes! The information below is presented as a courtesy from Academy of NLP & Hypnosis and is quoted from pages 12 and 15 of IRS Publication 502 year 2003.

- 1) **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.

- 2) **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.

- 3) **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) Self-employed health insurance deduction, or Archer Medical Savings Account (MSA) distributions.

**** Please note the above information should NOT be considered tax advice.
Tax Laws do change. Consult your Tax Advisor.***