

Tuition Costs of a Special School That Helps Children to Overcome Learning Disabilities Can Be Medical Care

[IRS Information Letter 2004-0090 (Apr. 29, 2004)]

In this Information Letter, the IRS responded to an inquiry regarding whether tuition for a private school that specializes in correcting a learning disorder with which a taxpayer's son had been diagnosed was deductible as a medical care expense. The inquiry concerned the accuracy of the information that the IRS had provided over the telephone—specifically, that the expense was not medical care because the school did not have a physician on staff. In its written response, the IRS noted that education is not normally medical care—consequently, a physician must diagnose a medical condition and recommend special education to correct it in order for the education to be considered medical care. The IRS concluded that the school “need not employ physicians to provide that education, but...must have a curriculum designed to provide medical care.” Overcoming learning disabilities must be the principal reason for attending the school, and any ordinary education received must be incidental to the special education.

The Information Letter further stated that medical care includes the cost of attending a special school that helps students “overcome a physical or mental handicap and move on to normal education and living.” It also listed examples of qualifying expenses, such as teaching Braille to a vision-impaired person. The IRS added that medical care would not include the cost of sending a child to a school where the courses and methods have a beneficial effect on the child's attitude if the availability of medical care in the school is not the principal reason for attendance—“a parent who sends a defiant son to military school is not doing this to overcome a mental or physical disorder, but to provide discipline and ordinary education.”