FOREWORD

This guide provides general guidelines regarding the deductibility of medical and physical impairment or disability expenses for income tax purposes. It does not delve into the precise technical and legal detail that is often associated with tax, and should, therefore, not be used as a legal reference. It is not a binding general ruling issued in terms section 76P of the Act.

The guide examines -
• what comprises qualifying medical expenditure;
• what may be claimed as a deduction;
• who may claim this deduction;
• when the deduction may be claimed;
• the limitations applicable in the determination of the deduction; and
• the meaning of certain terms and the circumstances under which these terms apply.

This guide is based on the legislation as at 6 June 2011, including the amendments effected by section 36(1) of the Taxation Laws Amendment Act, No 7 of 2010. The latest amendments that were promulgated on 2 November 2010 only relate to the capped amounts referred to in section 18(2)(i) and were deemed to have come into operation on 1 March 2010. As the year of assessment of an individual ends on the last day of February, these amendments are accordingly applicable to the years of assessment commencing on or after 1 March 2010.

Should you require additional information concerning any aspect of taxation you may -
• visit SARS website at www.sars.gov.za;
• visit your nearest SARS branch;
• contact your own tax advisor or tax practitioner;
• if calling locally, contact the SARS National Contact Centre on 0800 00 7277; or
• if calling from abroad, contact the SARS National Contact Centre on +27 11 602 2093.

Comments on this guide may be sent to policycomments@sars.gov.za.

Prepared by:

Legal and Policy Division
SOUTH AFRICAN REVENUE SERVICE

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Glossary

Unless the context indicates otherwise, the meaning of the words, concepts and acronyms used in this guide, is the following:

| **Commissioner:** | Commissioner for the South African Revenue Service |
| **Contributions:** | Medical scheme contributions |
| **Medical scheme:** | Medical scheme registered in terms of section 24(1) of the MS Act |
| **MS Act:** | Medical Schemes Act 131 of 1998 |
| **Paragraph:** | Paragraph in the Seventh Schedule to the Act |
| **SARS:** | South African Revenue Service |
| **Section:** | Section of the Act |
| **SITE:** | Standard Income Tax on Employees |
| **the Act:** | Income Tax Act 58 of 1962 |
| **Tax year:** | Year of assessment |
1. BACKGROUND

Previously this guide was known as the “Tax Guide on the Deduction of Medical Expenses”. However, section 18 of the Income Tax Act 58 of 1962 (the Act) makes a clear distinction between medical conditions and disability. Accordingly, the name has been changed to the “Tax Guide on the Deduction of Medical, Physical Impairment and Disability Expenses”.

As a rule, expenditure of a domestic or private nature is not deductible for tax purposes. However, an individual’s ability to pay tax may well be adversely affected by costs incurred as a result of illness or disability. For this reason a certain degree of relief is provided by the Act for medical and physical impairment or disability expenditure paid by a taxpayer. This relief is provided in the form of a deduction from your income of a medical allowance for medical and physical impairment or disability expenditure paid during the tax year. Section 18 provides for the deduction of the medical allowance and for ease of reference is quoted in Annexure A.

2. TIMING OF DEDUCTION

Qualifying medical contributions and expenses, discussed below, can only be claimed in the tax year that they are actually paid. Expenses can be incurred during a tax year and not be paid in that same tax year. The expense should only be claimed in the tax year in which it is actually paid. This will, for example, be the case when expenses have been incurred towards the end of a tax year, but have only been paid in a subsequent tax year.

Example 1 – Medical expenses incurred in one tax year and paid in the next tax year

Facts:
AA went in for an operation in February 2010. He received his account from the hospital and the doctor on 20 February 2010, but only paid his account on 15 March 2011.

Result:
As AA incurred this expense during the 2010 tax year but only paid this expense during the 2011 tax year, AA will only be entitled to claim the expense in the 2011 tax year.

3. QUALIFYING PERSONS FOR WHOM CONTRIBUTIONS AND EXPENSES MAY BE CLAIMED

Only qualifying expenditure paid by you for yourself, your spouse, your or your spouse’s children and your dependants, as described in the Medical Schemes Act 131 of 1998 (MS Act) may be considered in the determination of the medical allowance.

3.1. THE MEANING OF “SPOUSE”

A “spouse” as defined in section 1 means

in relation to any person, a person who is the partner of such person—
(a) in a marriage or customary union recognised in terms of the laws of the Republic;
(b) in a union recognised as a marriage in accordance with the tenets of any religion; or
(c) in a same-sex or heterosexual union which the Commissioner is satisfied is intended to be permanent.
3.2. **THE MEANING OF “DEPENDANT”**

A “dependant” as defined in section 1 of the MS Act means

- (a) the spouse or partner, dependant children or other members of the member’s immediate family in respect of whom the member is liable for family care and support; or
- (b) any other person who, under the rules of a medical scheme, is recognised as a dependant of a member.

3.3. **THE MEANING OF “CHILD IN RELATION TO THE TAXPAYER”**

The term “child in relation to the taxpayer”, as defined in section 18(4) means

- the taxpayer’s child or child of his or her spouse who was alive during any portion of the year of assessment, and who on the last day of the year of assessment—
  - (a) was unmarried and was not or would not, had he lived, have been—
    - (i) over the age of 18 years;
    - (ii) over the age of 21 years and was wholly or partially dependent for his maintenance upon the taxpayer and has not become liable for the payment of normal tax in respect of such year; or
    - (iii) over the age of 26 years and was wholly or partially dependent for his maintenance upon the taxpayer and has not become liable for the payment of normal tax in respect of such year and was a full-time student at an educational institution of a public character; or
  - (b) in the case of any other child, was incapacitated by a disability from maintaining himself or herself and was wholly or partially dependent for maintenance upon the taxpayer and has not become liable for the payment of normal tax in respect of such year:

Provided that any child of the taxpayer who has become liable for the payment of normal tax in respect of any year of assessment solely by reason of the provisions of section 5(1A) shall be deemed for the purposes of this section not to have become liable for the payment of normal tax in respect of such year.

A child over the age of 21 is no longer regarded as a child if he or she is liable for income tax in his or her own hands. The exception to this rule is if he or she is only liable for SITE. SITE is currently levied on the first R60 000 of net remuneration. Please note that SITE is being phased out over a two-year period, which period ends 28 February 2013.

In order to qualify for a deduction of medical expenses paid for a child, the child must be your own child or that of your spouse. The following children are excluded for purposes of the medical allowance:

- A foster child (the period that the child is in your care does not play any role)
- A child who has not yet been legally adopted
- A child who is under your custodianship

You can however claim medical expenses for a child that does **not** qualify in terms of the definition as a child, if the child is admitted as a dependant of the taxpayer’s medical scheme.

It should be noted that disability expenses can only be claimed in respect of your own child or that of your spouse and not in respect of any dependant.
QUALIFYING CONTRIBUTIONS AND CAPPING OF CONTRIBUTIONS

4. QUALIFYING CONTRIBUTIONS

4.1. Contributions paid by you

4.1.1 Contributions paid by you

Any contributions paid by you for yourself, your spouse, your or your spouse’s children and any dependants as described, to a medical scheme registered under section 24(1) of the MS Act, may be taken into account when the medical allowance is determined. Contributions paid by you to any other funds registered under similar provisions contained in the laws of any other country, may also be taken into account.

Example 2 – Contributions to an unregistered medical scheme

Facts:
AB paid monthly contributions of R2 000 to XYZ Health SA, which is not a registered medical scheme. The contributions are for himself, his mother, his spouse and their two children. They are all considered to be dependants in terms of the rules of the medical scheme.

Result:
AB may not claim any contribution, as it was not paid to a registered medical scheme.

Example 3 – Contributions to a registered medical scheme

Facts:
AC paid monthly contributions of R2 000 to ABC Health SA, a registered medical scheme. The contributions are for himself, his mother, his spouse and their two children. They are all considered to be dependants under the rules of the medical scheme.

Result:
The monthly contributions for the tax year of R24 000 are the qualifying contributions.

Example 4 – Contributions to a foreign medical scheme

Facts:
AD lives in South Africa where he is liable for tax. He paid monthly contributions of R2 000 to British Health for himself, his spouse and their children. They are all considered to be dependants under the rules of the medical scheme. British Health is not registered as a medical scheme under section 24(1) of the MS Act, but is substantially similar to a South African fund and is registered under the laws of the United Kingdom.

Result:
The monthly contributions for the tax year of R24 000 are the qualifying contributions.

4.1.2 “Deemed contributions”

Contributions paid by a person other than yourself will not be taken into account when your medical allowance is determined, except for –

- contributions paid by the estate of a deceased taxpayer for the period up to the date of the taxpayer’s death. These contributions are deemed to have been paid by the taxpayer on the day before the taxpayer’s date of death; and
- contributions paid by an employer of a taxpayer, which are deemed to have been paid by the taxpayer to the extent that the amount has been included in the income of the taxpayer as a taxable benefit.
Example 5 – Contributions paid on behalf of a member of a medical scheme

Facts:
AE paid monthly contributions of R1 000 to Excellent Health SA, a registered medical scheme. The amounts were paid on behalf of AF and AF’s spouse and children, who are all considered to be dependants of AF under the rules of the medical scheme.

Result:
The monthly contributions are not qualifying contributions for AF, as they were not paid by AF.

Example 6 – Determination of admissible contributions

Facts:
AG, age 45, paid contributions of R500 per month to ABC Health SA, a registered medical scheme, for himself, his spouse and their child. They are all considered to be dependants under the rules of the medical scheme. Over and above AG’s contribution, his employer paid a contribution of R2 000 per month to this scheme. Determine the total contributions to be taken into account by AG for purposes of determining the medical allowance.

Result:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>AG’s contributions for the tax year (R500 x 12)</td>
<td>R 6 000</td>
</tr>
<tr>
<td>Deemed contributions (amount paid by his employer and which have been included in his taxable income [R2 000 x 12])</td>
<td>R 24 000</td>
</tr>
<tr>
<td>Total contributions that can be taken into account in determining the deductible medical allowance</td>
<td>R 30 000</td>
</tr>
</tbody>
</table>

4.2. **CAPPING OF CONTRIBUTIONS**

The medical allowance for qualifying contributions is subject to a capping amount as from 1 March 2006. Capping will not apply if –

- you are 65 years of age or older as at the end of a tax year; or
- you, your spouse or any of your or your spouse’s children is a person with a “disability” as defined.

In these circumstances the total contributions may be claimed as a medical allowance.

Contributions to a registered medical scheme not exceeding the capped amount that are made by a person younger than 65 years of age, will be allowed as a medical allowance. The contributions that exceed the capped amount plus other qualifying medical and physical impairment expenses are subject to the 7.5% limitation (see 7.2).

4.2.1 **Capped amount when all contributions are paid by you**

The capped amounts for the tax year ending on 28 February 2011 of contributions paid by you are as follows:

- R670 per month for yourself;
- R1 340 per month for yourself and one dependant; or
- R1 340 per month for yourself and one dependant, plus R410 per month for every additional dependant.

The capped amounts for the tax year ending on 28 February 2012 has been announced in the budget speech on 23 February 2011 and are as follows:

- R720 per month for yourself
- R1 440 per month for yourself and one dependant; or
- R1 440 per month for yourself and one dependant, plus R440 per month for every additional dependant.
Example 7 – Determination of allowable contributions

Facts:
AH, age 45, paid contributions of R3 000 per month to ABC Health SA, a registered medical scheme, for himself, his spouse and their two children. They are all dependants under the rules of the medical scheme. AH’s employer does not pay any contributions on his behalf.

Determine the guaranteed amount that AH will be able to claim as a medical allowance for his contributions, and the excess contributions that must be taken into account in applying the “7.5% of taxable income” limitation.

Result:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>AH’s contributions for the tax year (R3 000 x 12)</td>
<td>R 36 000</td>
</tr>
<tr>
<td>Allowance for contributions limited to the capped amount for the tax year is (R1 340 + R410 + 410) x 12</td>
<td>R 25 920</td>
</tr>
<tr>
<td>Contributions in excess of the capped amount (R36 000 – R25 920)</td>
<td>R 10 080</td>
</tr>
</tbody>
</table>

AH may claim a medical allowance of R25 920 for his contributions. Whether he will be entitled to a further deduction for his excess contributions of R10 080 plus any other medical and physical disability expenses will depend on whether the total of those expenses exceeds the “7.5% of taxable income” limitation, which is discussed in 7.2.

4.2.2 Capped amount when contributions paid by you and your employer

You will be fully taxable on any contributions made by your employer when contributions are paid by you and your employer. You will, however, be entitled to deduct the full capped amount when calculating your taxable income. Previously the capping amounts you could claim were reduced by any contributions paid by your employer and only if the contributions made by the employer exceeded the capped amounts an amount would have been included in your taxable income. The net effect is however the same.

No value will be placed on contributions paid by the employer when the benefit is derived by –

- a person who by reason of superannuation, ill-health or other infirmity retired from the employ of his or her employer;
- the dependants of a deceased employee after that employee’s death if that deceased employee was in the employ of the employer on the date of death;
- the dependants of a person after the death of that person if that person retired from the employ of such employer by reason of superannuation, ill-health or other infirmity; or
- an employee who is 65 years of age or older.
Example 8 – Determination of allowable contributions when employer and employee contribute

**Facts:**
AI, age 45, paid contributions of R500 per month to ABC Health SA, a registered medical scheme, for himself, his spouse and their two children. They are all dependants under the rules of the medical scheme. In addition to the amount contributed by AI, his employer contributed R2 500 per month to his medical scheme. These contributions were included in his income as a taxable benefit.

Determine the guaranteed amount that AI will be able to claim as a medical allowance for his contributions, and the excess contributions that must be taken into account in applying the “7.5% of taxable income” limitation.

**Result:**

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>AI’s contributions for the tax year (R500 x 12)</td>
<td>R 6000</td>
</tr>
<tr>
<td>Add: Employer contributions (contributions made by employer constituting a taxable benefit) [R2 500 x 12]</td>
<td>R 30 000</td>
</tr>
<tr>
<td>Total contributions for purposes of the medical allowance</td>
<td>R 36 000</td>
</tr>
<tr>
<td>Guaranteed deduction:</td>
<td></td>
</tr>
<tr>
<td>Capped amount for the tax year is [(R1 340 + (R410 x 2)) x 12]</td>
<td>R 25 920</td>
</tr>
<tr>
<td>Excess contributions for the tax year (R36 000 – R25 920)</td>
<td>R 10 080</td>
</tr>
</tbody>
</table>

AI may claim a medical allowance of R25 920 for his contributions. The deductibility of the excess contributions of R10 080 will be determined by adding them to any other allowable medical expenses and applying the “7.5% of taxable income” limitation (see 7.2). Please note that R30 000 contributed by AI’s employer will be included in his taxable income.

5. QUALIFYING MEDICAL EXPENSES

5.1. MEDICAL EXPENSES RELATING TO SERVICES AND PRESCRIBED SUPPLIES

Expenses that have been paid by you during the tax year to any duly registered –

- medical practitioner, dentist, optometrist, homeopath, naturopath, osteopath, herbalist, physiotherapist, chiropractor or orthopaedist for professional services rendered and medicines supplied; or

- nursing home or hospital or any duly registered or enrolled nurse, midwife or nursing assistant (or to any nursing agency for the services of such nurse, midwife or nursing assistant), for illness or confinement; or

- pharmacist for medicines as prescribed by a person mentioned in the first bullet point above,

will be taken into account when the medical allowance is determined, provided these expenses have been incurred for yourself, your spouse, one of your or your spouse’s children or any of your dependants. In the case of a “dependant” the expenses will only be allowable if you are a member of a registered medical scheme and the dependant was, at the time that the expenses were paid, admitted as your dependant under the scheme.

The expenses must not be recoverable from your medical scheme.

Expenses paid by your employer on your behalf may be taken into account if they resulted in a taxable benefit deemed to have been received by you.
Example 9 – Expenditure not recoverable from medical scheme

Facts:
BA paid R1 000 to Dr Feelgood for consultation fees. Dr Feelgood is a registered medical practitioner. BA belongs to a registered medical scheme. BA submitted a claim of R1 000 to his medical scheme. The medical scheme paid only R600. Determine BA’s qualifying expenditure.

Result:
The difference of R400 that was not paid by the medical scheme is a qualifying expense and will be taken into account when the medical allowance is determined.

Example 10 – Payment to an unregistered medical practitioner

Facts:
BB paid R1 000 to Mr Student for a medical consultation. Mr Student is a second-year medical student. Determine whether the R1 000 qualifies as a medical expense.

Result:
The payment of R1 000 is not a qualifying expense and will not be taken into account when the medical allowance is determined, as Mr Student is not a duly registered medical practitioner.

Example 11 – Non-prescription medicine

Facts:
BC purchased headache tablets off the shelf at the local pharmacy for R50. Determine whether the R50 qualifies as a medical expense.

Result:
As the headache tablets were not prescribed by a registered medical practitioner, the R50 is not a qualifying expense and will not be taken into account when the medical allowance is determined.

5.1.1 Expenditure incurred outside the Republic

Expenses for medical services and supplies as reflected above that have been incurred outside South Africa may be taken into account in the determination of the medical allowance during a tax year if it –

• has been paid during that tax year, and
• is substantially similar to qualifying medical services rendered and medicines supplied in South Africa.

5.1.2 Expenses relating to a physical impairment

You are also allowed to take into account qualifying physical impairment expenditure in computing your medical allowance. This is over and above any qualifying contributions made to medical schemes and qualifying medical expenses paid.

Qualifying expenditure is described in section 18(1)(d) as –

any expenditure that is prescribed by the Commissioner (other than expenditure recoverable by the taxpayer or his or her spouse) necessarily incurred and paid by the taxpayer in consequence of any physical impairment or disability suffered by the taxpayer, his or her spouse or child, or any dependant of the taxpayer contemplated in paragraph (b)(i).

The expense must be in consequence of a physical impairment suffered by you, your spouse, your or your spouse’s children or any of your dependants. Expenditure incurred for a dependant will only qualify if –

• you were a member of a registered medical scheme, and
• at the time the expense was paid, the person was admitted as your dependant under the rules of the medical scheme.
The terms “necessarily incurred” and “in consequence of” are not defined in the Act. Therefore, they retain their ordinary dictionary meaning. “Necessary” is defined in the Concise Oxford Dictionary as “requiring to be done, essential,…needed for a purposes”. “Consequence” is defined in the same dictionary as “the result or effect of an action or a condition… as a result” This means that a prescribed expense does not automatically qualify as a deduction by mere reason of its listing. The expense must be necessary and incurred as a result of a physical impairment.

The term “physical impairment” is also not defined in the Act. However, in the context of section 18(1)(d) it has been interpreted as a disability that is less restraining than a “disability” as defined. This means the restriction on the person’s ability to function or perform daily activities after maximum correction is less than a “moderate to severe limitation”. Maximum correction in this context means appropriate therapy, medication and use of devices.

You will be able to claim qualifying expenses under section 18 as a deduction from your income (inclusive of VAT) if you or your spouse or child or dependant has a physical impairment that is not a “disability” as defined. These qualifying expenses will, however, only be deductible to the extent that the amount exceeds 7.5% of your taxable income.

Physical impairments will, for example, include —

- bad eyesight;
- hearing problems;
- paralysis of a portion of the body; and
- brain dysfunctions such as dyslexia, hyperactivity or lack of concentration.

Diabetes and asthma is recognised as medical conditions and not a physical impairment.

## 6. DISABILITY

### 6.1. MEDICAL AND DISABILITY EXPENDITURE

Expenditure prescribed by the Commissioner for SARS and which is necessarily incurred and paid for by the taxpayer in consequence of a disability is deductible in terms of section 18, subject to certain limitations. As discussed in 5.2 it is a requirement that a prescribed expense must be necessary and in consequence of a person’s specific disability and does not automatically qualify as a deduction by mere reason of its listing. For example, if a person in a wheelchair buys a hand-held GPS, the cost of the hand-held GPS will not qualify under section 18(1)(d) even though the expense is in the list. This is because the hand-held GPS is not directly connected to this person’s disability and hence neither necessarily incurred nor incurred in consequence of the disability. In the case of a person who is, for example, visually impaired, the cost of the hand-held GPS may qualify.

A “disability”, as defined in section 18(3) means —

- a moderate to severe limitation of a person’s ability to function or perform daily activities as a result of a physical, sensory, communication, intellectual or mental impairment, if the limitation—

  (a) has lasted or has a prognosis of lasting more than a year; and
  
  (b) is diagnosed by a duly registered medical practitioner in accordance with criteria prescribed by the Commissioner.

The 7.5% limitation does not apply if you, your spouse or any of your or your spouse’s children is a person with a disability in accordance with the published criteria. The allowance is equal to the full amount of —

- contributions to a registered medical scheme;
- qualifying medical expenses (both in and out of South Africa); and
- prescribed disability expenses.
The full allowance is also allowed for the expenses paid by you for yourself and other non-disabled dependants if, for example, your spouse is disabled.

**Example 12 – Person with disability not subject to the 7.5% limitation for medical expenses incurred**

**Facts:**
BD, age 45, has a taxable income of R220 000 before taking into account qualifying medical and physical disability expenditure. BD claims qualifying medical expenditure of R30 000, which includes expenses of R10 000 necessarily incurred, and paid as a consequence of being a blind person. Determine BD’s medical allowance.

**Result:**
As the 7.5% limitation is not applicable, BE is entitled to a medical allowance of R30 000.

BD’s taxable income after the medical allowance is R190 000 (R220 000 – R30 000)

### 6.2. PRESCRIBED DIAGNOSTIC CRITERIA FOR A DISABILITY

For each of the impairments in the definition of a "disability" in section 18 the Commissioner has prescribed diagnostic criteria. These criteria seek to assess the functional impact of the impairment on a person’s ability to perform daily activities and not the diagnosis of a medical condition. These criteria are discussed below:

#### a. Vision

The minimum requirement for a person to be classified as a blind person is —

- visual acuity in the better eye with best possible correction, less than 6/18 (0.3); and
- visual field 10 degrees or less around central fixation.

“6/18” means that what a person with normal vision can read at 18 metres, the person being tested can only read at 6 metres.

“Best possible correction” refers to the position after a person’s vision has been corrected by means of spectacles, contact lenses or intraocular (implanted) lenses.

#### b. Communication

A person is regarded as having a moderate to severe communication disability if, when even with appropriate therapy, medication and devices, one or more major life activity below that is age-appropriate is substantially limited (that is, more than inconvenient or bothersome), he or she has any one or a combination of the following:

- Inability to make self understood to familiar communication partners using speech in a quiet setting.
- Inability to make self understood, to familiar and or non-familiar communication partners and to meet communication needs as appropriate for his or her age by using speech, in less than 30 intelligible words.
- Problems in understanding meaningful language by familiar communication partners that lead to substantial difficulty in communicating.
- The need to rely on augmentative or alternative communication (AAC), including unaided (sign language or other manual signs) or aided means of communication (ranging from communication boards to speech generating devices).

#### c. Physical

A person is regarded as a person with a disability if his or her impairment is to such an extent that he or she

- is unable to walk, for example, wheelchair user;
- is only able to walk with the use of assistive devices, for example, callipers, crutches, walking frames and other such devices;
- is able to walk without the use of assistive devices but with a degree of difficulty, for example, persons with Cerebral Palsy, Polio etc (that is, requires inordinate amount of time to walk); and
- is functionally limited in the use of their upper limbs.
d. Mental

With the exclusion of intellectual disability, a person is regarded to be a person with a mental disability if he or she has been diagnosed, in terms of accepted diagnostic criteria as prescribed in the Diagnostic and Statistical Manual IV-TR (DSM-IV-TR) by a mental health care practitioner authorised to make such diagnosis, with a mental impairment that disrupts daily functioning and this impairment moderately or severely interferes or limits the performance of major life activities, such as learning, thinking, communicating and sleeping, amongst others.

A moderate impairment means a Global Assessment Functioning Score (GAF-Score) of 31 to 60. A severe impairment means a GAF-Score of 30 and below.

e. Hearing

The term “hearing disability” is defined as the functional limitations resulting from a hearing impairment. Hearing impairment is sensory impairment that will influence verbal communication between speaker and listener.

An adult is considered moderately to severely hearing impaired when the hearing loss, without the use of an amplification device, is described as follows:

- Bilateral hearing loss with a pure tone average equal to or greater than 25 dBHL in each ear.
- Unilateral hearing loss with pure tone average equal to or greater than 40 dBHL in the affected ear.

A child is considered moderately to severely hearing impaired when the hearing loss, without the use of an amplification device, is described as follows:

- Bilateral hearing loss with a pure tone average greater than 15 dBHL in each ear.
- Unilateral hearing loss with a pure tone average equal to or greater than 20 dBHL in the affected ear.

Notes:

- Hearing impairment is an abnormal or reduced function in hearing resulting from an auditory disorder.
- A child is a person between the ages of 0 to 18 years.
- Amplification devices include hearing aids, implantable devices and assistive listening devices.
- Pure Tone Average (PTA): average of hearing sensitivity thresholds (in decibel hearing level) to pure tone signals at 500Hz and 1000Hz, 2000Hz and 4000Hz of each ear.
- Bilateral hearing loss is a hearing sensitivity loss in both ears.
- Unilateral hearing loss is a hearing sensitivity loss in one ear only.

f. Intellectual

A person is regarded to be a person with an intellectual disability if he or she has a moderate to severe impairment in intellectual functioning that is accompanied by a significant limitation in adaptive functioning in at least two of the following skill areas:

- Communication
- Self-care
- Home living
- Social or interpersonal skills
- Use of community resources
- Self-direction
- Functional academic skills, work, leisure, health and safety

A moderate impairment means an intelligence quotient (IQ) of 35 to 49. A severe impairment means an IQ of 34 and below.
6.3. CONFIRMATION OF DISABILITY (ITR-DD FORM)

A person who wants to claim disability expenses has to complete the Confirmation of Disability form, which is available on the SARS website (www.sars.gov.za). You need not submit the ITR-DD with your tax return, but must retain it in the event of a SARS audit. The ITR-DD only needs to be completed every five years. However, if the disability is temporary the ITR-DD will only be valid for one year.

A disability will be temporary if the disability is expected to last for less than five years.

Part A of the ITR-DD must be completed by the person with disability. To ensure that there is no breach of patient-doctor confidentiality it is important that the authorisation in Part A is duly signed by the person with disability. The ITR-DD must be signed a parent, guardian or court appointed curator, as the case may be, if the person with disability is a minor or incompetent in law.

Part B of the ITR-DD must be completed by a registered medical practitioner qualified to express an opinion on the person’s disability. The practitioner needs to complete the appropriate diagnostic criteria. In Part C of the ITR-DD the registered medical practitioner must –
• indicate and describe if the functional limitations to perform activities of daily living is moderate to severe;
• indicate if the disability has lasted, or is it expected to last for a continuous period of more than 12 months; and
• sign the declaration.

Duly registered medical practitioners specifically trained to deal with the particular disability include the following:

| Vision: | Practitioner trained to use the Snellen chart (for example, an optometrist or ophthalmologist). |
| Hearing: | Practitioner trained to perform or conduct a battery of the diagnostic audiometry tests (for example, an Ear, Nose and Throat Specialist or Audiologist). |
| Speech: | Speech-Language Pathologist. |
| Physical: | Orthopaedic Surgeon, Neuro Surgeon, Physiotherapist or Occupational Therapist. |
| Intellectual: | Psychiatrist or Clinical Psychologist. |
| Mental: | Psychiatrist or Clinical Psychologist. |

6.4. QUALIFYING DISABILITY EXPENDITURE

Only disability expenditure prescribed by the Commissioner may be claimed as a deduction. These expenses are listed in the List of Qualifying Physical Impairment or Disability Expenditure. This list is attached as Annexure B for ease of reference. Please note that the attached list relates to the period ending on 28 February 2011. A new list that is effective from 1 March 2011 is available on the SARS website.

7. LIMITATION ON THE DEDUCTION FOR MEDICAL ALLOWANCE

7.1. CONTRIBUTIONS AND EXPENSES THAT ARE SUBJECT TO THE 7.5% LIMITATION

The following contributions and expenses must be taken into account in the determination of the medical allowance, but will be subject to the 7.5% limitation (see 7.2):
• Contributions that exceed the capped amount
• Medical expenses relating to services and prescribed supplies
• Expenses relating to a physical impairment (if applicable)
• Disability of a dependant other than spouse, child or spouses child
7.2. **CALCULATION OF THE 7.5% LIMITATION OF THE ALLOWABLE CONTRIBUTIONS AND MEDICAL EXPENSES**

An allowance for the contributions and expenses discussed in 4 and 5 will only be allowed to the extent that the aggregate amount thereof exceeds 7.5% of your taxable income after deducting retirement fund contributions, donations to approved public benefit organisations, capped medical scheme contributions and any other allowable deductions. Any "retirement fund" lump sum benefit amount (as defined in section 1) you have received must also be excluded from your taxable income for purposes of the 7.5% calculation.

**Example 13 – Claim for physical impairment expenditure limited to "7.5% of taxable income"**

**Facts:**
BE, age 45, is married with two children age 10 and 12. His taxable income is R220 000 before taking into account any qualifying medical and physical impairment expenditure. BE claims the following medical expenditure:
- Medical aid contributions for the tax year [R3 000 x 12] = R36 000
- Physical impairment expenses R16 000 for his 10-year old son. His son is a person with a learning impairment (which is less than moderate to severe)

Determine BE’s taxable income after deducting the allowable medical allowance.

**Result:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total medical aid contributions for the tax year</td>
<td>R 36 000</td>
</tr>
<tr>
<td>Capped amount for the tax year [(R1 340 + (R410 x 2) x 12] =</td>
<td>(25 920)</td>
</tr>
<tr>
<td><strong>Excess medical aid contributions for the tax year</strong></td>
<td>R 10 080</td>
</tr>
<tr>
<td>Taxable income before allowing the capped amount</td>
<td>R 220 000</td>
</tr>
<tr>
<td><strong>Less: Capped amount above to be allowed</strong></td>
<td>(25 920)</td>
</tr>
<tr>
<td><strong>Taxable income for purposes of 7.5% limitation</strong></td>
<td>R 194 080</td>
</tr>
<tr>
<td>Excess contributions</td>
<td>R 10 080</td>
</tr>
<tr>
<td>Add: Qualifying medical and physical disability expenses</td>
<td>R 16 000</td>
</tr>
<tr>
<td><strong>Amount subject to the 7.5% limitation</strong></td>
<td>R 26 080</td>
</tr>
<tr>
<td>Limitation: R194 080 x 7.5% =</td>
<td>R 14 556</td>
</tr>
<tr>
<td>Allowable expenditure in excess of 7.5% limitation</td>
<td>R 11 524</td>
</tr>
<tr>
<td>(R26 080 – R14 556)</td>
<td></td>
</tr>
<tr>
<td><strong>Allowance (R25 290 + R11 524) =</strong></td>
<td>R 36 814</td>
</tr>
<tr>
<td>Taxable income before the deduction of the medical allowance</td>
<td>R 220 000</td>
</tr>
<tr>
<td><strong>Less: Allowance</strong></td>
<td>(R 36 814)</td>
</tr>
<tr>
<td>Taxable income after taking into account medical allowance</td>
<td>R 183 186</td>
</tr>
</tbody>
</table>

As can be seen, for purposes of calculating the 7.5% limitation, the capped medical aid contributions of R25 920 must first be deducted from taxable income.

A medical deduction may create an assessed loss for the current tax year or increase an assessed loss brought forward from a previous tax year.

An assessed loss brought forward from a previous tax year must first be set off against the taxable income of the current tax year before calculating the 7.5% limitation.
Example 14 – Determination of medical allowance when an assessed loss is brought forward from a previous tax year

Facts:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (R)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessed loss brought forward from a previous tax year</td>
<td>(40 000)</td>
</tr>
<tr>
<td>Taxable income before the deduction of medical expenses</td>
<td>50 000</td>
</tr>
<tr>
<td>Qualifying medical expenses</td>
<td>30 000</td>
</tr>
</tbody>
</table>

Result:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (R)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxable income before the deduction of medical expenses</td>
<td>50 000</td>
</tr>
<tr>
<td>Assessed loss brought forward from previous tax year</td>
<td>(40 000)</td>
</tr>
<tr>
<td>Taxable income for current tax year before medical expenses</td>
<td>10 000</td>
</tr>
<tr>
<td>Qualifying medical expenses</td>
<td>30 000</td>
</tr>
<tr>
<td>Less: 7.5% of taxable income before medical allowance</td>
<td>(750)</td>
</tr>
<tr>
<td>Medical allowance</td>
<td>29 250</td>
</tr>
<tr>
<td>Assessed loss after medical allowance</td>
<td>(19 250)</td>
</tr>
</tbody>
</table>

7.3. PERSONS WHO ARE 65 YEARS OR OLDER

A person who is 65 years of age or older on the last day of the tax year is granted a medical allowance for all qualifying contributions and qualifying medical and physical disability expenses for that tax year. The limitation of 7.5% is, therefore, not applicable.

8. HOW TO CLAIM THE MEDICAL ALLOWANCE

8.1. PERSONS REGISTERED FOR INCOME TAX

The following documentation must be retained for audit purposes when a medical allowance is claimed for a tax year:

- Proof of contributions paid to a registered medical scheme or to any other funds registered under similar provisions contained in the laws of any other country. In the case of salary earners, contributions paid to a registered medical scheme will normally be reflected on the employees’ tax certificate (IRP 5).
- A statement from the medical scheme indicating the total amount of claims submitted to the fund that were not refunded to you or paid by the scheme to the service provider. The February statements usually reflect the total amount for the tax year.
- A completed prescribed list for amounts not submitted to or recoverable from your medical scheme.
- A letter from your medical scheme, stating that the benefits allocated to certain medical procedures are exhausted, when applicable.
- A duly completed and signed confirmation of Disability (ITR-DD) form, where applicable.

The aforementioned documentation, as well as receipts must not be submitted with your annual income tax return, but must be kept available on request in order to substantiate your medical claims. You are required to keep records such as receipts, paid cheques, bank statements, deposit slips and invoices for five years from the date on which the return for the relevant tax year was received by SARS. However, in cases where objections and appeals have been lodged against assessments, you must keep all records and data relating to the assessments under objection or appeal until such time that the objection or appeal has been finalised, even if the timeframe for finalisation exceeds five years.
8.2. PERSONS NOT REGISTERED FOR INCOME TAX

SITE taxpayers are not required to submit an income tax return but might have qualifying medical expenses that could reduce the amount for which you are liable for the payment of normal tax. These taxpayers can apply for a refund. An IT 12SE form must be requested from your local SARS branch office, be completed and handed in at that office. Should the deduction result in a reduction of the SITE paid, you will be refunded accordingly.

You may only apply for a refund of an amount if –

- the application is made within three years from the end of the tax year during which the amount was deducted;
- the amount deducted is an amount of employees’ tax deducted from remuneration paid to you;
- your income for that tax year only consisted of remuneration; and
- you were not required to submit an income tax return for that tax year and did not render a return for that tax year during the period of three tax years since the end of that tax year.

9. HOW TO OBJECT TO THE DISALLOWANCE OF A MEDICAL ALLOWANCE

A person who claimed a deduction for a medical allowance who is not satisfied with the assessment issued may object to it. Your objection must be in the prescribed form (ADR 1), state the grounds on which the objection is lodged, and reach the relevant SARS branch office where you are on register for income tax within 30 business days after the date of the assessment.

The relevant documentation, as discussed in 5.4 must be submitted together with the objection. Further information regarding the objection and appeal procedure is available on the SARS website and is set out in the Guide on Tax Dispute Resolution.

10. OTHER INFORMATION

10.1. RELIEF OF CUSTOMS AND EXCISE DUTY ON A MOTOR VEHICLE ADAPTED FOR A PHYSICALLY DISABLED PERSON

The full customs or excise duty on motor vehicles may, by specific permit, be claimed as a rebate under the conditions prescribed by the International Trade Administration Commission (ITAC) (Imported vehicles) or SARS (Locally manufactured vehicles), after consultation with the National Council for Persons with Physical Disabilities in South Africa. These vehicles, including station wagons (excluding racing cars), must be principally designed for the transport of persons, including station wagons (excluding racing cars), and adapted or to be adapted so that it can be driven solely by a physically disabled person. The following conditions apply:

a. The adaptation of the motor vehicle must be of such a nature that the physically disabled driver of the motor vehicle has easy access to all controls necessary to drive such a vehicle.

b. The permit may not be issued within five years of the issue of a previous permit to such disabled person.

c. Permits may, however, be issued within a shorter period provided that proof is submitted that the motor vehicle previously entered under rebate of duty was stolen or written off by the licensing authorities.

d. If the vehicle is offered, advertised, lent, hired, let under a lease agreement, pledged, given away, exchanged, sold or otherwise disposed of within five years from the date of entry under rebate items 460.17, 630.20 or 630.22, such foregoing acts shall render the vehicle liable to the payment of duty on a pro-rata basis.

The full rebate of either customs or excise duty of such vehicles is regulated as follows:

- Imported vehicles: Part 2 of Schedule 4 to the Customs and Excise Act 91 of 1964, rebate item 460.17, tariff heading 87.00 rebate code 04.02 (transport) and tariff heading 87.03 rebate code 02.04 (to be driven).
- Locally manufactured vehicles: Part 2 of Schedule 6 to the Customs and Excise Act, rebate item 630.20 (transport) and 630.22 (to be driven).
18. Deduction in respect of medical and dental expenses.—(1) Notwithstanding the provisions of section 23, there must be allowed to be deducted from the income of any taxpayer who is a natural person an allowance in respect of—

(a) any contributions made by that taxpayer in respect of the year of assessment in respect of that taxpayer, his or her spouse and any dependant, as defined in section 1 of the Medical Schemes Act, 1998 (Act No. 131 of 1998), of that taxpayer to—

(i) any medical scheme registered under the provisions of that Act; or
(ii) any fund which is registered under any similar provision contained in the laws of any other country where the medical scheme is registered;

(b) any amounts (other than amounts recoverable by the taxpayer or his or her spouse) which were paid by the taxpayer during the year of assessment to any duly registered—

(i) medical practitioner, dentist, optometrist, homeopath, naturopath, osteopath, herbalist, physiotherapist, chiropractor or orthopedist for professional services rendered or medicines supplied to the taxpayer, his or her spouse or his or her children, or any dependant of the taxpayer if the taxpayer was a member of a scheme or fund contemplated in paragraph (a) and that dependant was, at the time such amounts were paid, admitted as a dependant of the taxpayer in terms of that scheme or fund; or

(ii) nursing home or hospital or any duly registered or enrolled nurse, midwife or nursing assistant (or to any nursing agency in respect of the services of such a nurse, midwife or nursing assistant) in respect of the illness or confinement of the taxpayer, his or her spouse or his or her children, or any dependant of the taxpayer contemplated in subparagraph (i); or

(iii) pharmacist for medicines supplied on the prescription of any person mentioned in subparagraph (i) for the taxpayer, his or her spouse or his or her children, or any dependant of the taxpayer contemplated in subparagraph (i); and

(c) any amounts (other than amounts recoverable by the taxpayer or his or her spouse) which were paid by the taxpayer during the year of assessment in respect of expenditure incurred outside the Republic on services rendered or medicines supplied to the taxpayer or his or her spouse or children, or any dependant of the taxpayer contemplated in paragraph (b)(i), and which are substantially similar to the services and medicines in respect of which a deduction may be made under paragraph (b) of this subsection; and

(d) any expenditure that is prescribed by the Commissioner (other than expenditure recoverable by the taxpayer or his or her spouse) necessarily incurred and paid by the taxpayer in consequence of any physical impairment or disability suffered by the taxpayer, his or her spouse or child, or any dependant of the taxpayer contemplated in paragraph (b)(i).

(2) The allowance under subsection (1) is equal to—

(a) where the taxpayer is entitled to a rebate under section 6(2)(b), the sum of the amounts referred to in subsection (1);

(b) where the taxpayer, his or her spouse or child is a person with a disability, the sum of the amounts referred to in subsection (1); or

(c) in any other case—

(i) so much of the contributions made by the taxpayer during the relevant year of assessment as contemplated in subsection (1)(a), as does not exceed—

(aa) R670 for each month in that year in respect of which those contributions were made solely with respect to the benefits of that taxpayer;
(bb) R1 340 for each month in that year in respect of which those contributions were made with respect to the benefits of that taxpayer and one dependant; or
(cc) where those contributions are made with respect to the taxpayer and more than one dependant, the amount referred to in item (bb) in respect of the taxpayer and one dependant plus R410 for every additional dependant for each month in that year in respect of which those contributions were made;

(ii) so much of—
(aa) any contributions contemplated in subsection (1)(a) as have not been allowed as a deduction under subparagraph (i); and
(bb) the sum of all amounts contemplated in subsection (1)(b), (c) and (d), as in the aggregate exceeds 7,5 per cent of the taxpayer’s taxable income (excluding any retirement fund lump sum benefit and retirement fund lump sum withdrawal benefit) as determined before allowing any deduction under this subparagraph.

(3) For the purposes of this section “disability” means a moderate to severe limitation of a person’s ability to function or perform daily activities as a result of a physical, sensory, communication, intellectual or mental impairment, if the limitation—
(a) has lasted or has a prognosis of lasting more than a year; and
(b) is diagnosed by a duly registered medical practitioner in accordance with criteria prescribed by the Commissioner.

(4) For the purposes of this section the expression “child in relation to the taxpayer” means the taxpayer’s child or child of his or her spouse who was alive during any portion of the year of assessment, and who on the last day of the year of assessment—
(a) was unmarried and was not or would not, had he lived, have been—
(i) over the age of 18 years;
(ii) over the age of 21 years and was wholly or partially dependent for his maintenance upon the taxpayer and has not become liable for the payment of normal tax in respect of such year; or
(iii) over the age of 26 years and was wholly or partially dependent for his maintenance upon the taxpayer and has not become liable for the payment of normal tax in respect of such year and was a full-time student at an educational institution of a public character; or
(b) in the case of any other child, was incapacitated by a disability from maintaining himself or herself and was wholly or partially dependent for maintenance upon the taxpayer and has not become liable for the payment of normal tax in respect of such year:

Provided that any child of the taxpayer who has become liable for the payment of normal tax in respect of any year of assessment solely by reason of the provisions of section 5(1A) shall be deemed for the purposes of this section not to have become liable for the payment of normal tax in respect of such year.

(5) For purposes of this section, any amount contemplated in subsection (1), which has been paid by—
(a) the estate of a deceased taxpayer is deemed to have been paid by the taxpayer on the day before his or her death; or
(b) an employer of the taxpayer must, to the extent that the amount has been included in the income of that taxpayer as a taxable benefit in terms of the Seventh Schedule, be deemed to have been paid by that taxpayer.

SECTION 24 OF THE MEDICAL SCHEMES ACT 131 OF 1998

“24. Registration as medical scheme.—(1) The Registrar shall, if he or she is satisfied that a person who carries on the business of a medical scheme which has lodged an application in terms of section 22, complies or will be able to comply with the provisions of this Act, register the medical scheme, with the concurrence of the Council, and impose such terms and conditions as he or she deems necessary.”
SECTION 1 OF THE MENTAL HEALTH CARE ACT 17 OF 2002

“mental illness” means a positive diagnosis of a mental health related illness in terms of accepted diagnostic criteria made by a mental health care practitioner authorized to make such diagnosis;

ANNEXURE B – THE PRESCRIBED LIST OF EXPENDITURE

The prescribed list of expenditure for purposes of section 18(1)(d) of the Act is set out below:

<table>
<thead>
<tr>
<th>NATURE OF EXPENSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATTENDANT CARE EXPENSES</td>
</tr>
<tr>
<td>1. Expenditure that is incurred and paid for purposes of special care, in respect of special services to assist, guide, care for a person with a physical impairment or disability, regardless of the place the services are rendered (e.g. home, nursing home, retirement home etc). Examples of expenditure in this category include nursing services, special care for the disabled individual, chauffer services etc. This will include salaries paid to employees as well as fees for professional services performed by, for example, nursing homes. Example: The parents of a child with a disability employ someone primarily to care for and look after the needs of the child who incidentally assists with general housekeeping activities. The salary paid to such person will qualify. However, if the parents employ the person primarily to perform housekeeping activities who incidentally assists with the child, the salary paid to such person will not qualify.</td>
</tr>
<tr>
<td>2. Training for workers and or parents and related expenditure. Examples of expenditure in this category include special courses, training undergone by the parents or special care attendant who will care for a person with a disability.</td>
</tr>
<tr>
<td>3. Special education and training of a person with a disability. This category includes expenditure incurred and paid for specialised education for a person with a disability. This will include training to cope with the disability, rehabilitation and educational institutions that cater to specific disabilities.</td>
</tr>
<tr>
<td>TRAVEL &amp; OTHER RELATED EXPENSES</td>
</tr>
<tr>
<td>Expenditure in this category refers to reasonable travelling expenses (including accommodation, where applicable) incurred and paid by the taxpayer to acquire goods or services (including maintenance of such goods) required by a person with a physical impairment or disability. Examples:</td>
</tr>
<tr>
<td>1. Reasonable travelling expenses (including accommodation) incurred and paid for the person to attend a place that trains him or her in the handling of service animals (including hearing and guide dogs) and other aids or supporting devices.</td>
</tr>
<tr>
<td>2. Transportation costs specifically incurred in respect of a learner with a disability who attends a specialised school. This is limited to circumstances where the specialised school is not available in the area, suburb or town where the taxpayer lives.</td>
</tr>
<tr>
<td>3. Transportation costs incurred and paid for repairs and maintenance to aids and other supporting devices. This includes, for instance the cost of taking a wheelchair to the manufacturer for maintenance or repairs.</td>
</tr>
</tbody>
</table>
4. Transportation costs and other related expenses (e.g. boarding etc.) paid in respect of an assistant or care attendant away from the primary residence of a person with a disability.

**Note:**
If a private motor vehicle is used and accurate records of qualifying kilometres are kept –

1. The taxpayer may estimate the expenses incurred by using the rates per kilometre prescribed by the Minister of Finance. These rates are to be found in the Regulation titled ‘Fixing of rate per kilometre in respect of motor vehicles for the purposes of section 8(1)(b)(ii) and (iii) of the Income Tax Act, 1962; and

2. The modification costs for the vehicle must be excluded from the cost of the vehicle if they had already been claimed under section 18 of the Act.

**Example:**
If the cost price of the vehicle was R250 000 (which include modification costs amounting to R50 000), the value to be used in determining the rate per kilometre will be R200 000 (i.e. R250 000 minus R50 000).

### INSURANCE, MAINTENANCE, REPAIRS AND SUPPLIES
Expenditure in this category refers to expenses incurred and paid by the taxpayer to insure, maintain, supplement and repair aids, special devices, alterations to assets, artificial limbs and organs, required by a person with a physical impairment or disability so that they can function or perform daily activities.

### ARTIFICIAL LIMBS/ORGANS & OTHER
1. Prosthetic breasts (needed because of a radical mastectomy), limbs or eyes.
2. Custom-made braces for limbs and woven or elasticised stockings.
3. Wigs – the amount paid for a wig by a person who has suffered abnormal hair loss due to a disease, accident, or medical treatment.
4. False teeth/dentures.

### AIDS & OTHER DEVICES (EXCLUDING MOTOR VEHICLES, SECURITY SYSTEMS, SWIMMING POOLS AND OTHER SIMILAR ASSETS)
Expenditure in this category refers to expenses incurred and paid by the taxpayer for aids and other devices, required by a person with a physical impairment or disability so that they can function or perform daily activities.

**Example:**
1. Air conditioner, air filter, cleaner, or purifier and environment control system (computerised or electronic) to prevent hypothermia or hyperthermia for a person with spinal cord injury or as required by a person with epilepsy.
2. Computer devices and related equipment (including the software to operate such devices) required by a person with a disability due to a moderate to severe impairment in hand functions or visual ability (e.g. track ball)
3. Computer or other electronic equipment required in order to convert printed material or image files into text, Braille, speech or any other accessible format, including peripheral equipment such as scanners, Braille printers, speakers and headphones for the personal use by or for a person with a disability.
4. Converted, printed and graphical material, including talking, Braille and large print textbooks, maps or drawings for a person with a disability.
5. Helmets (protective gear) – used by people with epilepsy to prevent injury, especially head injuries during the seizures.
6. Household tools (without which performing a task would not be possible) that enable a person with a disability to perform tasks of daily living.
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.</td>
<td>Iron lung, a portable chest respirator that performs the same function and a continuous positive airway pressure machine.</td>
</tr>
<tr>
<td>8.</td>
<td>Kidney machine, oxygen concentrator and extremity pump for a person diagnosed with chronic lymphedema.</td>
</tr>
<tr>
<td>9.</td>
<td>Magnification and image-enhancement devices that enable a person to read, including optacons, large-screen computer monitors, magnifiers, video magnifiers, CCTV readers, video goggles, electronic magnifiers that plug into a computer, monitor or TV and telescopic spectacles.</td>
</tr>
<tr>
<td>10.</td>
<td>Mobile ramps and tie-downs, used to assist wheelchair users in moving in and out of the vehicles or buildings that have no ramps.</td>
</tr>
<tr>
<td>11.</td>
<td>Mobility aids, including wheelchairs, wheelchair carriers, crutches and walking frames.</td>
</tr>
<tr>
<td>12.</td>
<td>Navigation aids, including white canes, sonic or tactile echo location devices and hand-held GPS devices and related software required by a person with a disability.</td>
</tr>
<tr>
<td>13.</td>
<td>Orthopaedic shoes, boots, and inserts, including braces and including standard shoes and boots used by a person who walks with an unsteady gait when not using such aid.</td>
</tr>
<tr>
<td>15.</td>
<td>Page-turning devices to assist a person to turn the pages of a book or other bound document for persons whose disability moderately or severely restricts their ability to use arms or hands.</td>
</tr>
<tr>
<td>16.</td>
<td>Prescription spectacles and contact lenses.</td>
</tr>
<tr>
<td>17.</td>
<td>Pressure care mattresses and body positioners to assist a person with a spinal cord injury to prevent pressure sores and correct postural alignment while lying down.</td>
</tr>
<tr>
<td>19.</td>
<td>Signalling devices – emits light instead of sound (e.g. a light emitting doorbell).</td>
</tr>
<tr>
<td>20.</td>
<td>Sound-recording, amplification and playback devices (e.g. audio recorders, hearing aids and dictaphones).</td>
</tr>
<tr>
<td>21.</td>
<td>Speech-generating devices that enable a person to communicate, including a relevant keyboard.</td>
</tr>
<tr>
<td>22.</td>
<td>Specialised anti-glare screens – for televisions and computers used by a person with photosensitive epilepsy to minimise exposure to seizures.</td>
</tr>
<tr>
<td>23.</td>
<td>Special educational toys (e.g. touch, feel, sound etc) for a person with a disability.</td>
</tr>
<tr>
<td>24.</td>
<td>Talking and sound-making devices that enable a person to perform daily tasks, including talking calculators, specially adapted cell phones, specially adapted watches, alarm clocks, kitchen and bathroom scales, light detectors, electronic hand held bar code readers and liquid level indicators.</td>
</tr>
<tr>
<td>25.</td>
<td>Teletypewriters or similar devices required by a person with a disability to make or receive phone calls.</td>
</tr>
<tr>
<td>26.</td>
<td>Television closed caption decoders (including volume control feature and visual or vibratory signalling device) required by a person with a disability.</td>
</tr>
<tr>
<td>27.</td>
<td>Water filter, cleaner, or purifier – the expense incurred by a person to cope with or overcome a severe chronic respiratory ailment, or severe chronic immune system degeneration.</td>
</tr>
<tr>
<td>28.</td>
<td>Word-to-text devices – for a person with a disability that causes moderate to severe impairment in hand functions or visual or hearing impairments) such as some persons with Cerebral Palsy.</td>
</tr>
</tbody>
</table>
SERVICES
Expenditure in this category refers to expenditure incurred and paid by the taxpayer for services required by a person with a physical impairment or disability so that they can function or perform daily activities.

Examples:
1. Deaf-blind intervening services.
2. Lip speaker services.
3. Note-taking services, including real-time captioning.
4. Reading services.
5. Rehabilitative therapy to teach a person to function or perform basic daily activities (e.g. how to use a wheelchair, dressing, grooming etc).
6. Sign-language interpretation services used by a person with a hearing impairment.
7. Special education schools for learners with disabilities. Qualifying expenses will include –
   school assistant or classroom costs; and
   school fees limited to the amount in excess of the fees that would have been payable if the person attended the closest fee-paying public school not specialising in learners with special educational needs.
8. School not specialising in learners with special educational needs — limited to additional expenses incurred and paid as a result of the disability.
9. Tutoring services used by, and which are supplementary to the primary education of a person with a learning disability or impairment in intellectual or mental functions, and paid to someone in the business of providing such services that is not related to the person being tutored.

PRODUCTS REQUIRED BECAUSE OF INCONTINENCE
1. Catheters, catheter trays, tubing, or other products required for incontinence management.
2. Colostomy, urostomy and ileostomy products, and associated products and aids.
3. Diapers, disposable briefs, pads, linen and mattress savers for a person who is incontinent due to an illness, injury or affliction.

SERVICE ANIMALS
Expenditure in this category refers to expenditure incurred and paid in respect of a service animal required by a person with a disability in order to function or perform daily activities.

Examples:
1. The cost of an animal specifically trained to be used as an aid to perform daily functions.
2. The care and maintenance (including food and veterinarian care) of such an animal.
ALTERATIONS OR MODIFICATIONS TO ASSETS ACQUIRED OR TO BE ACQUIRED

Expenditure in this category refers to expenditure incurred and paid by the taxpayer for alterations or modifications to assets to make such assets accessible or usable by a person with a physical impairment or disability so that they can function or perform daily activities.

Examples:

1. Power-operated stairs/lift or guided chairs to be used in a stairway and their installation cost. Driveway access — reasonable amounts paid to alter the driveway of the main residence.

2. Elevators to enable access to different levels of a building, enter or leave a vehicle, or place a wheelchair on or in a vehicle.

3. Amounts paid in respect of alterations to a new or existing primary residence to give a person reasonable access, mobility or functioning to or within the home, such as, —
   - buying and installing outdoor ramps where stairways impede the person’s mobility;
   - enlarging halls and doorways to give the person wheelchair-access to the various rooms of the residence;
   - lowering kitchen or bathroom cabinets to give the person access to them; and
   - bathroom aids to help a person get in or out of a bath or shower or to get on or off a toilet.

Note:
The cost of acquiring the dwelling does not qualify for the deduction.

4. Vehicles — modifications to the vehicle to permit a person with a disability to gain access in and out of the vehicle or to drive the vehicle.

Note:
The cost of acquiring the vehicle will not qualify for a deduction.

5. Security systems — modifications to a security system (e.g. alarms) to enable a person with a disability to use or operate it. For example, modifications to the alarm system to emit a red light instead of making a sound to warn a person with a hearing impairment that the alarm has been activated will qualify.

Note:
The cost of acquiring and installing the security system itself will not qualify for a deduction.

6. Swimming pools — modifications or alterations to a swimming pool to enable a person with a disability to gain access in and out of the swimming pool, for example, installing rails or a hoist.

Note:
The construction and installation cost of the swimming pool will not qualify.