

# A GUIDE TO SENIOR LIVING TAX DEDUCTIONS

*Atria* SENIOR LIVING

Form 1040 Department of the Treasury U.S. Individual Income Tax Return

Your first name and initial

If a joint return, spouse's first name and initial

Home address (number and street), if different from the mailing address

City, town or post office, state, and ZIP code

Foreign country name

Filing Status

1	<input type="checkbox"/>
2	<input type="checkbox"/>

Tax and Credits

Standard Deduction for —

- Person
- Child
- Spouse

## TAX DEDUCTIBILITY FOR SENIOR LIVING

Careful planning is critical for making decisions about your family's future. That's why we would like to share important information regarding the potential tax deduction for senior living expenses.

Depending on the type of services and level of care required, residents or their responsible parties may be eligible to deduct up to 100% of their senior living fees and certain other personal care services as medical costs on their tax return.

## MEDICAL EXPENSE DEDUCTION

The medical expense deduction is available to residents or responsible parties who itemize deductions on their tax return when the total of their medical expenses, less any reimbursement from insurance or other sources, exceeds 7.5% of their adjusted gross income.

### 100% DEDUCTIBLE SERVICES

Atria services, including apartment, dining and care, may be 100% deductible as medical expenses, provided that a licensed healthcare provider has certified within the previous 12 months that the resident receiving care meets one of the following conditions:

- Is unable to perform at least two activities of daily living, such as eating, bathing, getting dressed, transferring, toileting and continence
- Is a resident of a Life Guidance® memory care neighborhood or has severe cognitive impairment

### DEDUCTIONS FOR PERSONAL CARE SERVICES

Residents or responsible parties who do not meet the requirements for a 100% tax deduction may still be eligible to receive a tax deduction for the portion of their fees related to Atria's personal care services. Consult your tax advisor for more information.

## DEPENDENT QUALIFICATION

A responsible party may be able to deduct medical expenses paid on behalf of the resident if the resident qualifies as a dependent. For purposes of the medical expense deduction, a resident generally qualifies as a dependent if the following requirements are met:

- The resident is a qualifying child or a qualifying relative (i.e., parent, grandparent, child, sibling, aunt, uncle, etc.) of the taxpayer
- The resident is a U.S. citizen or national, or a resident of the U.S., Canada or Mexico
- The taxpayer provided more than 50% of the resident's financial support during the calendar year

## FOR MORE INFORMATION

Residents and/or their responsible parties should refer to IRS Publication 502 or consult their tax advisors for information regarding the types of costs that may qualify for a tax deduction, as well as other requirements for claiming the deduction.

*Atria does not provide tax advice, and the information provided herein should not be considered as such. Due to the complexity of these rules and the fact that the deduction is based on each individual's own circumstances, you should consult your tax advisor to determine how these rules may apply to you.*

## **THE BENEFITS OF SENIOR LIVING**

Atria communities provide services, amenities and discreet support to help older adults maintain an active lifestyle and find greater well-being. Residents enjoy an apartment of their choice, chef-prepared meals and daily opportunities for fitness and social connection. For residents with Alzheimer's or other forms of dementia, Atria's Life Guidance<sup>®</sup> neighborhoods offer memory care services.

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[AtriaSeniorLiving.com](https://AtriaSeniorLiving.com)

