

MELISSA A. HART
4TH DISTRICT, PENNSYLVANIA

COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON
SELECT REVENUE MEASURES
SUBCOMMITTEE ON
HUMAN RESOURCES

1024 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-2565
FAX: (202) 226-2274

INTERNET:
Rep.Hart@mail.house.gov
<http://www.house.gov/hart/>

Congress of the United States
House of Representatives
Washington, DC 20515-3804

September 7, 2005

**Cosponsor Bill to Make Over-the-Counter Drugs
Tax Deductible**

Dear Colleague:

Did you know that the minute a medicine switches from prescription to over-the-counter (OTC) status it is no longer a tax deductible medical expense?

Did you know that if a doctor prescribes a smoking cessation program, the cost is tax deductible, but if a smoker seeks treatment on his or her own with an over-the-counter (OTC) medicine, that cost is not? Did you know that if an individual has a leg wound and uses crutches to enhance mobility, bandages to cover the torn skin, and a doctor recommends that the individual take aspirin to treat the pain in the leg, the crutches and bandages are deductible while the OTC pain reliever is not?

These are just a few examples illustrating why Congress should allow certain OTC medicines to be included as a deductible medical expense. Under current law, the cost of prescription drugs, insulin, and most out-of-pocket healthcare costs may be included as a deductible medical expense, while OTC medicines cannot.

The medical expense deduction is becoming increasingly popular as Americans spend more out-of-pocket for healthcare. Taxpayers in the lower income brackets use the medical and dental expense deduction much more frequently than higher income earners. Unfortunately, these same Americans cannot use the deduction for OTC medicines.

The Internal Revenue Services (IRS) has recently acknowledged the value of OTC's as real medicines in a ruling which allows for the cost of some of these products to qualify for reimbursement from flexible spending accounts. Congress should expand on the IRS ruling, providing the tax savings to millions more Americans, by allowing certain OTC medicines to be included as a deductible medical expense.

If you would like to become a cosponsor of H.R. 3428, "the OTC Medicine Tax Fairness Act," please contact Bill Rys with Rep. Hart at 5-2565 or william.rys@mail.house.gov.

Very truly yours,



Melissa A. Hart
Member of Congress

501 LAWRENCE AVENUE
ELLWOOD CITY, PA 16117
(724) 752-0490
FAX: (724) 752-0494

4655 ROUTE 8, SUITE 124 G
COVENTRY SQUARE SHOPPING CENTER
ALLISON PARK, PA 15101
(412) 492-0161
TOLL FREE: 1-866-399-HART
FAX: (412) 492-0178