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Announcement 2021-7: Personal protective equipment deductible as medical care expense (COVID-19)

The IRS today released an advance version of Announcement 2021-7 notifying taxpayers that amounts paid for personal protective equipment (PPE) for the primary purpose of preventing the spread of the coronavirus disease 2019 (COVID-19) are treated as amounts paid for medical care under section 213(d).

[Announcement 2021-7](#) [PDF xx KB] clarifies that:

- The purchase of personal protective equipment—such as masks, hand sanitizer, and sanitizing wipes—for the primary purpose of preventing the spread of COVID-19 is a deductible medical expense under section 213(a) if purchased for use by the taxpayer, the taxpayer's spouse or the taxpayer's dependent(s) and is not compensated for by insurance or otherwise, provided that the taxpayer's total medical expenses exceed 7.5% of adjusted gross income.
- Amounts paid for personal protective equipment are also eligible to be paid or reimbursed under health flexible spending arrangements (health FSAs), Archer medical savings accounts (Archer MSAs), health reimbursement arrangements (HRAs) or health savings accounts (HSAs). However, any amounts paid or reimbursed under a health FSA, Archer MSA, HRA, HSA or any other health plan are not deductible under section 213(a).

Read related IRS release—**[IR-2021-66](#)** (March 26, 2021)

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