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Private Letter Rulings

## Private Letter Ruling 8447014, 8/13/1984, IRC Sec(s). 213

UIL No. 0213.09-00

### Headnote:

*Reference(s):* [Code Sec. 213:](#)

Private Letter Ruling 8447014

Code Sec. 213 MEDICAL EXPENSES -- what is "medical care"?-- special school .

Taxpayers (Ts) are parents of A. A had been attending private school that provided normal education. A wasn't functioning up to school's minimum level of academic requirements and engaged in erratic behavior. Psychiatrist diagnosed A as suffering from "adjustment reaction of adolescence, severe, with depressive features" and recommended that he be placed in "boarding school away from home but boarding school of particular type," that was "residential treatment center where emotional difficulties can be resolved." School (S), described as psychiatrically oriented country boarding school, was recommended as meeting these requirements. RULED: S is special school within meaning of Reg. 1.213-1(e)(1)(v)(a) Expenses Ts incur for A's tuition and expenses of transportation to and from S, to extent transportation expenses are primarily for and essential to medical care of A, are deductible as provided in Sec. 213.


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### Full Text:

Aug. 13, 1984

This is in response to your request for a ruling concerning the deductibility under section 213 of the Internal Revenue Code of expenses incurred with respect to your son's attending the School.

The facts and representations submitted are substantially as follows:

You are the parents of A, a dependent as defined in  section 512 of the Code. A had been attending a private school that provided a normal education. A, however, was not functioning up to the school's minimum level of academic requirements, and was engaged in erratic behavior. The school's authorities, including a consulting psychiatrist, recommended consulting a psychiatrist who had previously treated your son.

The psychiatrist diagnosed your son as suffering from "an adjustment reaction of adolescence, severe, with depressive features" and recommended that he should be placed in "a boarding school away from home but a boarding school of a particular type," that should be "a residential treatment center where

{A's} emotional difficulties can be resolved." The School was recommended as a school meeting these requirements. A second psychiatrist, one who had previously provided family therapy as a result of A's behavior, concurred in the recommendation. A clinical psychologist, to whom A was sent for psychological testing, also endorsed the recommendation of the School.


On the basis of the psychological testing and other test results and an interview with your son, the executive


director of the School, also a clinical psychologist, recommended that A be immediately enrolled, without waiting until the end of the academic school year. This recommendation was agreed to by the two psychiatrists and the psychologist with whom you had previously consulted.


The School is described as a psychiatrically oriented country boarding school. A residential treatment center designed to meet the needs of boys with average or above average intelligence, who have failed to make a satisfactory adjustment in their homes, in their schools, or in their social relationships. The School's chief emphasis is on mental hygiene and psychological guidance. The staff consists of four attending psychiatrists, two clinical psychologists, a psychiatric social worker, an executive director (who is also a clinical psychologist), the resident director and principal, twenty teachers, and a registered nurse. The School's enrollment is about seventy-five boys with a staff of never less than fifty men and women.

The School conducts an academic program from the upper elementary grades through high school graduation. It studies each boy and designs a program appropriate to his individual needs, altering the program as changes take place in the student's personality. The School stresses the development of sound group living, recognizing the need of dealing with each child on the basis of his individual problems.

The School is fully accredited by the . . . State Department of Education and is a member of the . . . and is an affiliate of the . . . and the . . . .


 Section 262 of the Code prohibits the deduction of personal, living, or family expenses unless expressly allowed under some other section of the Code.


 Section 213(a) of the Code provides, in part, that there shall be allowed as a deduction, the amount, not compensated for by insurance or otherwise, by which the amount of expenses paid during the taxable year for medical care of the taxpayer, his spouse, and dependents, exceeds a specified percentage of the taxpayer's adjusted gross income. For tax years after 1982, the specified percentage is five percent of adjusted gross income.


 Section 213(d) of the Code defines the term "medical care" as amounts paid for the diagnosis, cure, mitigation, treatment or prevention of disease, or for the purpose of affecting any structure or function of the body; for insurance covering such medical care; or for transportation primarily for and essential to medical care.

Section 1.213-1(e)(1)(ii) of the Income Tax Regulations provides that deductions for expenditures for medical care allowable under section 213 will be confined strictly to expenses incurred primarily for the prevention or alleviation of a physical or mental defect or illness.

Section 1.213-1(e)(1)(v)(a) of the regulations provides, in part, that while ordinary education is not medical care, the cost of medical care includes the cost of attending a special school for a mentally or physically handicapped individual, if his condition is such that the resources of the institution for alleviating such mental or physical handicap are a principal reason for his presence there. In such a case, the cost of attending such a special school will include the cost of meals and lodging, if supplied, and the cost of ordinary education furnished that is incidental to the special services provided by the school.


In  Rev. Rul. 70-285, 1970-1 C.B. 52, the Service stated, in part, that the term special school, as it is used in section 1.213-1(e)(1)(v)(a) of the regulations is a limited category within the broader term "institution". The curriculum of a special school may include some ordinary education, but this must be incidental to the primary purpose of the school to enable the student to compensate for or overcome a handicap, in order to prepare that student for future normal education and living.

In  Rev. Rul. 78-340, 1978-2 C.B. 124, the Service concluded that a taxpayer whose child has severe learning disabilities caused by a neurological disorder may deduct as a medical expense amounts paid, upon recommendation of the child's doctor, for tuition fees for the child's education at a special school that has a program designed to educate children with such disabilities so that they can return to a regular school within a few years.

Accordingly, based on the information and representations submitted, we conclude that the School is a special school within the meaning of section 1.213-1(e)(1)(v)(a) of the regulations. We further conclude that the expenses you incur for your son's tuition and the expenses of transportation to and from the School, to the extent such transportation expenses are primarily for and essential to the medical care of your son, are deductible in the manner and to the extent provided by  section 213 of the Code.

Except as specifically ruled upon above, no opinion is expressed as to the federal income tax consequences of the transaction described above under any other provisions of the Internal Revenue Code.

You should attach a copy of this ruling to your tax return for the first taxable year in which the transactions covered by this ruling are consummated. We are enclosing a copy for that purpose.

This ruling is directed only to the taxpayer who requested it.  Section 6110(j)(3) of the Code provides that it may not be used or cited as precedent.

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