

United States Senate

WASHINGTON, DC 20510-1904

July 16, 2020

The Honorable Mitch McConnell
Majority Leader, United States Senate
317 Russell Senate Office Building
Washington, DC 20510

Dear Leader McConnell:

As we work to provide additional relief to help address the needs of older Americans, children, and individuals with disabilities in light of the ongoing COVID-19 crisis, the medical expense deduction is an important relief tool for the high health care costs many Americans are facing, which have only been exacerbated by this pandemic.

Congress has long understood the need to provide this deduction. The Tax Cuts and Jobs Act incorporated a provision I authored that provides deductions of medical expenses exceeding 7.5 percent of adjusted gross income (AGI) for taxpayers filing in 2017 and 2018, instead of 10 percent of AGI. Last December, we secured a one-year extension of this provision, which is currently slated to expire at the end of the calendar year. Given the ongoing crisis, we need to act now to eliminate any uncertainty about the availability of this deduction.

Expanded and continued certainty for this deduction would help millions of Americans. As we learn more about COVID-19, it is clear that not all recoveries are equal and that for many the health impacts continue for a long time. By ensuring that this deduction does not expire at the end of this year, we will provide relief for those facing uncertainty in their recovery.

The 7.5 percent threshold could and should be adjusted in light of this pandemic. A lower threshold would ensure that Americans facing greater medical expenses will find more relief and also provide benefits to those who have been delaying needed medical procedures during the pandemic or may be trying to keep elderly loved ones at home and out of institutional care.

The applicability of this deduction serves a variety of purposes. The burden of high medical expenses falls disproportionately on seniors and those with disabilities. The medical expense deduction is vital for those who have pre-existing conditions, suffer chronic medical conditions, experience unexpected illnesses – such as COVID-19 – or injuries, or face costs for long-term care services that are not covered by insurance.

As you know, this deduction has strong bipartisan and bicameral support. Legislation that I introduced to make this deduction permanent with Senator Cantwell, S. 110, has support from both parties, as does the House companion to my bill. It was a bipartisan and bicameral group that advocated for inclusion of this deduction in last year's year-end package.

As the Senate considers providing additional relief to help address the COVID-19 pandemic, we should extend and expand the current medical expense deduction for future tax years. I look forward to working with you to ensure that this vital relief remains in place. Thank you for your consideration of this important issue.

Sincerely,

A handwritten signature in blue ink that reads "Susan M. Collins". The signature is written in a cursive, flowing style.

Susan M. Collins
United States Senator