

Tax Deductions and FSA/HSA

Tax stuff is intimidating, especially when you are already navigating the cost of low vision technology. The good news is that the IRS, your FSA plan, and your HSA all see assistive technology the same way you do – as a real medical expense.

Most low vision assistive technology counts as a deductible medical expense or an FSA/HSA-eligible purchase. Depending on your tax situation, that can mean 20 to 30 percent off the sticker price of the magnifier, CCTV, or screen reader you need.

This guide walks you through every tax-side option in plain English: medical expense deductions, FSA reimbursement, HSA spending, and a few business deductions most people miss. It pairs naturally with our [complete assistive technology funding guide](#), which covers insurance, vocational rehab, and free programs.

A quick note before we dig in: tax law changes, and your situation is unique. Use this as a framework, then a tax professional can confirm the specifics for your year and your numbers.

Medical Expense Tax Deductions for AT

If you itemize on Schedule A, the IRS lets you deduct qualified medical expenses, and that includes most [assistive technology you use to manage low vision](#). The official rulebook is [IRS Publication 502](#), which lists deductible medical expenses in detail.

Most prescribed low vision tools qualify. That covers handheld and stand magnifiers, electronic magnifiers, CCTVs, screen readers, magnification software, OCR devices, and Braille displays when they address a diagnosed vision condition. Devices recommended in writing by your eye doctor have the strongest paper trail.

There is one threshold to know. You can only deduct the portion of your total medical expenses that exceeds 7.5 percent of your adjusted gross income. So if your AGI is 60,000 dollars, the first 4,500 dollars do not count – only what is above that line is deductible.

A quick example: 7,500 dollars of total medical expenses on a 60,000-dollar AGI minus the 4,500-dollar floor leaves 3,000 dollars deductible. At a 22 percent tax rate, that is about 660 dollars saved.

For documentation, keep three things together: a letter from your eye doctor explaining why each device is medically necessary, the dated receipt for every purchase, and a simple log of when you started using each item. Hold onto this packet for at least seven years.

A practical reality: this deduction only helps if you itemize and your medical spending clears the 7.5 percent floor. If you take the standard deduction, an FSA or HSA is usually the better path.

FSA-Eligible Assistive Technology

A Flexible Spending Account (FSA) lets you set aside pre-tax money from your paycheck for qualified medical expenses. Because the dollars are pre-tax, you save your federal, state, and FICA tax rate on every covered purchase – often 25 to 35 percent in real savings.

Most low vision assistive technology qualifies, but the key is documentation. You will almost always need a Letter of Medical Necessity (LMN) from your eye doctor stating the device is needed to treat or manage a diagnosed condition. Without it, your FSA administrator can reject the claim.

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To submit a claim, save the itemized receipt and pair it with the LMN. Most plans accept these as a digital upload. Some FSA debit cards auto-approve common medical purchases at the register, but assistive technology often requires manual substantiation, so keep the paperwork.

Annual contribution limits change each year, so check IRS guidance or your plan documents for the current cap. Plan your election during open enrollment with upcoming AT purchases in mind.

Watch the use-it-or-lose-it rule. Traditional FSAs require you to spend the funds by the end of the plan year, or you forfeit the balance. Some plans offer a grace period or a small carryover – check yours, because timing a CCTV purchase before December 31 can be the difference between using your money and losing it.

If you can see an AT purchase coming, line up the LMN early so you are not scrambling at the deadline.

HSA for Low Vision Devices

A Health Savings Account (HSA) is similar to an FSA with one major perk: the money is yours forever. To open and contribute to an HSA, you need to be enrolled in a high-deductible health plan that meets the IRS definition. If you have one, an HSA is one of the most powerful tax tools available for ongoing AT costs.

Eligible AT devices match the medical expense deduction list. Magnifiers, CCTVs, screen readers, OCR devices, and prescribed software all qualify when used to manage a vision condition. The same letter of medical necessity is your best documentation.

HSAs offer a triple tax advantage no other account matches. Your contributions are tax-deductible (or pre-tax through payroll), the money grows tax-free, and withdrawals for qualified medical expenses come out tax-free. For full details, [IRS Publication 969](#) is the primary reference.

Unlike an FSA, HSA funds roll over indefinitely. Money you put in this year is still there in five years if you do not spend it, and many HSAs let you invest the balance once it crosses a minimum threshold. That makes the HSA a real long-term savings tool, not a calendar-year spending account.

A practical strategy: if you know a major AT purchase is two or three years out – say, a higher-end CCTV or a refreshable Braille display – start funding the HSA now. You can also pay out of pocket today and reimburse yourself from the HSA years later, as long as you keep the receipt.

Business and Employment Deductions

If you work, there is a second category of tax benefits most people miss. These deductions sit outside FSAs and HSAs and can stack on top of them.

If you are self-employed, AT used for your work is generally a deductible business expense. A CCTV in your home office, screen reading software, or a magnifier you use to read client documents typically qualifies. Some larger purchases may qualify for a Section 179 deduction, which lets you expense the full cost in the year of purchase rather than depreciating it.

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For employees, the Impairment-Related Work Expense (IRWE) is a specific category covered by [IRS Publication 529](#). It allows people with a disability to deduct certain devices and services needed to work, on a different line and with different rules than standard medical expenses. Ask a tax professional whether IRWE fits your situation.

If your employer pays for your assistive technology, that is not taxable income to you. Employer-provided AT falls under the working-condition fringe benefit rules, so you do not pay tax on the value, and your employer can deduct the cost. Worth knowing when you are negotiating accommodations.

Documentation matters here, too. Keep your job description, a short note on how each device is used in your work, and the receipts. If you are audited, that combination tells a clean story.

Maximizing Your Tax Benefits

The biggest mistake people make is buying first and asking about documentation later. A few habits keep more money in your pocket.

Get a letter of medical necessity from your eye doctor before you purchase. The letter should name the diagnosis, the recommended device or category of devices, and a brief reason it is needed. One letter can often cover multiple purchases over the year.

Keep all receipts and supporting documentation for at least seven years. A simple paper or digital folder with the LMN, receipts, and any insurance Explanation of Benefits is enough. Time your purchases strategically. The 7.5 percent AGI floor for medical expense deductions is much easier to clear if you group medical spending into one tax year rather than spreading it across two.

Combine tax benefits with your other funding sources. Tax savings stack with insurance reimbursement, vocational rehabilitation funding, and the state and [free AT programs](#) covered in our [complete assistive technology funding guide](#). The cluster also covers [Medicare-specific coverage](#), [free AT programs](#), [vocational rehabilitation](#), and [state AT programs](#).

Finally, talk to a tax professional for your specific situation. The numbers here are general — your AGI, filing status, and state taxes can all change the picture. A one-hour consult often pays for itself in the first deduction it finds.

Frequently Asked Questions

Are low vision magnifiers tax deductible?

Yes, in most cases. The IRS treats magnifiers prescribed or recommended by an eye doctor as a deductible medical expense under [IRS Publication 502](#). You can deduct the cost on Schedule A if your total medical expenses exceed 7.5 percent of your adjusted gross income.

Can I use my FSA to buy a CCTV?

Usually, yes. CCTVs are widely accepted as FSA-eligible assistive technology when paired with a letter of medical necessity from your eye doctor. Save the itemized receipt and submit both to your FSA administrator if the purchase is not auto-approved at the register.

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Does HSA cover low vision aids?

Yes. HSAs follow the same eligibility rules as the medical expense deduction, so magnifiers, CCTVs, screen readers, and other prescribed low vision aids are qualified expenses. Withdrawals used for these items come out tax-free.

Can I deduct the assistive technology I bought before being diagnosed?

Generally, no. Tax-favored treatment is tied to a documented medical condition, so purchases made before a formal diagnosis or recommendation usually do not qualify. A tax professional can confirm whether any exception applies to your situation.

What records do I need to claim AT tax deductions?

Three things keep you covered: a letter of medical necessity from your eye doctor, an itemized receipt for each purchase showing date, vendor, and amount, and a brief log of when you started using each device. Keep this packet for at least seven years in case of an audit.

Take the Next Step

The biggest barrier to claiming AT tax benefits is paperwork – and that is exactly where NELVB can help. Our team provides the documentation that supports tax deductions and FSA/HSA claims: written recommendations from your low vision specialist, device specifications, and itemized receipts that meet IRS and plan-administrator standards.

Whether you are thinking of a [desktop magnifier](#), [handheld](#), [low vision glasses](#), or any of our [assistive technology](#), we can match the technology to your needs and equip you with the records to make the most of every tax benefit available.

[Schedule a consultation](#) to talk through your goals and get the documentation in hand before your next purchase.

About This Document

This white paper was created by New England Low Vision and Blindness. Portions of the content were generated using AI technology and reviewed for accuracy. However, the information is provided “as is” and is not intended as a substitute for professional advice or a comprehensive assessment.

About New England Low Vision and Blindness

New England Low Vision and Blindness is a leading provider of assistive technology, training, and support for people who are blind or visually impaired. We serve individuals, schools, and organizations across the Northeast with personalized solutions that empower independence and improve quality of life. To learn more or schedule a no-obligation consultation, visit NELowVision.com or call 888-211-6933. You can also email us at info@NELowVision.com.