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Claiming Medical Travel Expenses

After the busy tax season, with most tax returns being filed, the Canada Revenue Agency (CRA) gets busy to make sure that items that people have claimed on their tax return are valid. As most returns are e-filed, the tax department does not get any supporting documents to validate any claims made.

So usually in the late summer and into autumn they start a verification program where they ask for support for various claims made on tax returns filed that year.

A claim which is often checked is medical expenses. In particular, we have found that the CRA is asking for more support for travel expenses if you have claimed this.

Generally, the following travel expenses for medical purposes are allowed:

- Transportation costs (a mileage allowance of \$0.57 per km) if you have to travel over 40 km's to obtain services (e.g. to Barrie or Orillia).
- Transportation, plus other travel costs, including meals, accommodation and certain parking if you need to travel over 80 km's (e.g. to Toronto or Newmarket).
- Parking is not a claimable medical expense at local hospitals.

In order to support your claim for medical travel you should have:

- List of travel dates and km's travelled.
- A letter from your doctor stating the reason travel was required, which should specifically state that "*substantially equivalent medical services are unavailable within your locality*" and if someone travelled with you, that you were "*incapable of travelling without an attendant*". These italicized parts are important in order to claim certain travel expenses such as meals, hotel and parking for longer travel to Toronto, or for expenses for your spouse or other family member to stay in the city while you were in the hospital.
- You must keep all accommodation bills, however you can claim a fixed amount for meals and mileage without needing a receipt.
- Parking receipts (note that parking at the hospital may be denied, but parking at the hotel is eligible).
- You should also keep hospital statements, appointment details to support the dates travelled.