

**SOUTH AFRICAN REVENUE SERVICE  
LIST OF QUALIFYING PHYSICAL  
IMPAIRMENT OR DISABILITY  
EXPENDITURE**

**Section 18 of the Income Tax Act, 1962**

Effective date: 1 March 2012

# List of qualifying physical impairment or disability expenditure in terms of section 18(1)(d) of the Income Tax Act, No. 58 of 1962 (the Act)

## 1. Introduction

Expenditure prescribed by SARS and which is necessarily incurred and paid for by the taxpayer in consequence of a physical impairment or disability is deductible in terms of section 18 of the Act, subject to certain limitations. The terms “**necessarily incurred**” and “**in consequence of**” are not defined in the Act. Therefore, they retain their ordinary dictionary meaning. This means that a prescribed expense does not automatically qualify as a deduction by mere reason of its listing. The expense must also be necessary for the alleviation of the restrictions on a person’s ability to perform daily functions. For example, if a person in a wheelchair buys a hand-held GPS, the cost of the hand-held GPS will not qualify under section 18(1)(d) of the Act even though the expense is in the list. This is so because the hand-held GPS is not directly connected to this person’s disability and hence neither necessarily incurred nor incurred in consequence of the disability. In the case of a person who is, for example, visually impaired the cost of the hand-held GPS may qualify.

## 2. Definitions

### 2.1 Disability

The term “disability” is defined in section 18(3) of the Act as follows –

“**disability**” means a moderate to severe limitation of a person’s ability to function or perform daily activities as a result of a physical, sensory, communication, intellectual or mental impairment, if the limitation—

- (a) has lasted or has a prognosis of lasting more than a year; and
- (b) is diagnosed by a duly registered medical practitioner in accordance with criteria prescribed by the Commissioner.

### 2.2 Physical impairment

The term “physical impairment” is not defined in the Act. However, in the context of section 18(1)(d) of the Act it has been interpreted as a disability that is less restraining than a “disability” as defined. This means the restriction on the person’s ability to function or perform daily activities after maximum correction is less than a “moderate to severe limitation”. Maximum correction in this context means appropriate therapy, medication and use of devices.

## 3. Deductibility of qualifying expenses

### 3.1 Disability

A taxpayer who has or whose spouse or child has a disability in accordance with criteria prescribed by the Commissioner for SARS will be able to claim qualifying expenses under section 18 of the Act as a deduction from his or her income (inclusive of VAT) **in full**.

### 3.2 Physical impairment

A taxpayer who has or whose spouse or child or dependant has a physical impairment that is not a “disability” as defined will be able to claim qualifying expenses under section 18 of the Act as a deduction from his or her income (inclusive of VAT). The qualifying expenses will, however, only be deductible to the extent that the amount exceeds 7,5% of the taxpayer’s taxable income. The term “dependant” is as defined in section 18(4A) of the Act.

The prescribed list of expenditure for purposes of section 18(1)(d) of the Act is set out below:

## NATURE OF EXPENSE

### PERSONAL ATTENDANT CARE EXPENSES

- 1 Expenditure that is incurred and paid for purposes of special care, in respect of special services to assist, guide, care for a person with a physical impairment or disability, regardless of the place the services are rendered (e.g. home, nursing home, retirement home etc).

Examples of expenditure in this category include nursing services, special care for a person with a disability etc.

This will include salaries paid to care attendants, agency fees if the care attendant is provided by an agency as well as fees for professional services performed by, for example, nursing homes.

#### Examples:

- The parents of a child with a disability employ someone **primarily** to care for and look after the needs of the child who incidentally assists with general housekeeping activities. The salary paid to such person will qualify. However, if the parents employ the person **primarily** to perform housekeeping activities who incidentally assists with the child, the salary paid to such person will not qualify.
- Actual living-in expenses: Electricity, food and water incurred and paid by the taxpayer in respect of the care attendant. SARS would generally allow the living-in expenses incurred and paid by the taxpayer, if the aggregate amount of such expenses does not exceed 10% of the annual salary payable to a care attendant up to a limit of 50% of the annual domestic worker minimum wage under Area A of the Sectoral Determination 7 for Domestic Workers (currently R18 076.08).

#### Exclusions:

- Please note that the spouse, parent or child is excluded as a care attendant. For example, if the wife is a person with a disability and the husband looks after her, the amount paid to the husband by the wife will not qualify for a deduction.
- Any living-in expenses in respect of a person with a disability and any other living-in expenses other than food, electricity and water in respect of a care attendant. For example, the taxpayer cannot claim for the space (e.g. room) used by the person with a disability in the house.

2. Training for workers and or parents and related expenditure.

Examples of expenditure in this category include special courses, training undergone by the parents or care attendant who will care for a person with a disability.

## TRAVEL & OTHER RELATED EXPENSES

Expenditure in this category refers to reasonable travelling expenses (including accommodation, where applicable) incurred and paid by the taxpayer to acquire goods or services (including maintenance of such goods) required by a person with a physical impairment or disability.

**Please remember that the qualifying travel expenses are limited to goods or services required as a consequence of disability. For example, if a person with a disability goes to the doctor with flu, the travelling expenses in respect of this trip do not qualify for a deduction.**

### Examples:

1. Reasonable travelling expenses (including accommodation) incurred and paid for the person to attend a place that trains him or her in the handling of service animals (including hearing and guide dogs) and other aids or supporting devices.
2. Transportation costs specifically incurred and paid in respect of a learner with a disability who attends a specialised school in instances where such school is not available within the 10 km radius from where the person lives.
3. Reasonable transportation costs incurred and paid to transport a person with a disability to and from home to a protective workshop or day care centre if the following conditions are met:
  - The person must, due to the nature of his or her disability, have no reasonable prospect of finding employment in the open labour market;
  - The person must need daily care and supervision;
  - The person must be a “child” as contemplated in section 18(4) of the Act, who has a “disability” as defined in section 18(3) of the Act; and
  - The protective workshop or day care centre must be a public benefit organisation (PBO) approved by SARS in terms of section 30(3) of the Act.
4. Transportation costs incurred and paid for repairs and maintenance to aids and other supporting devices. For example, if the person takes a wheelchair to the manufacturer for maintenance or repairs, the travelling expenses will be deductible.
5. Transportation costs and other related expenses (e.g. boarding etc.) paid in respect of an assistant or care attendant away from the primary residence of a person with a disability. For example, if the person with a disability is going away on business or on holiday accompanied by a care attendant, the actual cost of air travel, train, bus or taxi in respect of the care attendant will be deductible. No travelling expenses will be deductible under section 18 of the Act if the taxpayer uses his or her own vehicle or hires a vehicle for the trip.

### Note:

1. Actual qualifying expenses incurred and paid by the taxpayer must be deducted. However, if a private motor vehicle is used and accurate records of qualifying kilometres are kept:

- The taxpayer may estimate the expenses incurred by using the rates per kilometre prescribed by the Minister of Finance. These rates are to be found in the Regulation titled “Fixing of rate per kilometre in respect of motor vehicles for the purposes of section 8(1)(b)(ii) and (iii) of the Income Tax Act, 1962”; and
- The modification costs for the vehicle must be excluded from the cost of the vehicle since these costs are claimed under section 18 of the Act.

**Example:**

If the cost price of the vehicle was R250 000 (which include modification costs of R50 000), the value to be used in determining the rate per kilometre will be R200 000 (i.e. R250 000 minus R50 000).

2. Travelling must be to the nearest place where the goods or services can be acquired.

**INSURANCE, MAINTENANCE, REPAIRS AND SUPPLIES**

Expenditure in this category refers to expenses incurred and paid by the taxpayer to insure, maintain, supplement and repair aids, special devices, alterations to assets, and artificial limbs and organs required by a person with a physical impairment or disability so that they can function or perform daily activities.

**PROSTHETICS**

1. Prosthetic breasts (needed because of a radical mastectomy), limbs or eyes.
2. Custom-made braces for limbs and woven or elasticised stockings.
3. Wigs – the amount paid for a wig by a person who has suffered abnormal hair loss due to a disease, accident, or medical treatment.
4. False teeth or dentures.

**AIDS & OTHER DEVICES (EXCLUDING MOTOR VEHICLES, SECURITY SYSTEMS, SWIMMING POOLS AND OTHER SIMILAR ASSETS)**

Expenditure in this category refers to expenses incurred and paid by the taxpayer for aids and other devices, required and used by a person with a physical impairment or disability so that they can function or perform daily activities (includes temporal hire of aids or other devices whilst the person’s aid or device is being repaired).

**Examples:**

1. Air conditioner, heater, fan, air filter, cleaner, or purifier and environment control system (computerised or electronic) to prevent hypothermia or hyperthermia for a person with spinal cord injury or as required by a person with epilepsy.
2. Computer devices and related equipment (including the software to operate such devices) required by a person with a disability due to a moderate to severe impairment in hand functions or visual ability (e.g. track ball).

3. Computer or other electronic equipment required in order to convert printed material or image files into text, Braille, speech or any other accessible format, including peripheral equipment such as scanners, Braille printers, speakers and headphones for the personal use by or for a person with a disability.
4. Converted, printed and graphical material, including talking, Braille and large print textbooks, maps or drawings for a person with a disability.
5. Helmets (protective gear) – used by people with epilepsy to prevent injury, especially head injuries during seizures.
6. Household tools (without which performing a task would not be possible) that enable a person with a disability to perform tasks of daily living.
7. Iron lung, a portable chest respirator that performs the same function and a continuous positive airway pressure machine.
8. Kidney machine, oxygen concentrator and extremity pump for a person diagnosed with chronic lymphedema.
9. Magnification and image-enhancement devices that enable a person to read, including optacons, large-screen computer monitors, magnifiers, video magnifiers, CCTV readers, video goggles, electronic magnifiers that plug into a computer, monitor or TV and telescopic spectacles.
10. Mobile ramps and tie-downs, used to assist wheelchair users in moving in and out of the vehicles or buildings that have no ramps.
11. Mobility aids, including wheelchairs, wheelchair carriers, crutches and walking frames.
12. Navigation aids, including white canes, sonic or tactile echo location devices and hand-held GPS devices and related software required by a person with a disability.
13. Orthopaedic shoes, boots, and inserts, including braces and including standard shoes and boots used by a person who walks with an unsteady gait when not using such aid.
14. Pacemakers.
15. Page-turning devices to assist a person to turn the pages of a book or other bound document for persons whose disability moderately or severely restricts their ability to use arms or hands.
16. Prescription spectacles and contact lenses.
17. Pressure care mattresses and body positioners to assist a person with a spinal cord injury to prevent pressure sores and correct postural alignment while lying down.
18. Shake awake alarms.
19. Signalling devices – emits light instead of sound (e.g. a light emitting doorbell).
20. Sound-recording, amplification and playback devices (e.g. audio recorders, hearing aids and dictaphones).
21. Speech-generating devices that enable a person to communicate, including a relevant keyboard.

22. Specialised anti-glare screens – for televisions and computers used by a person with photosensitive epilepsy to minimise exposure to seizures.
23. Special educational toys (e.g. touch, feel, sound etc) for a person with a disability.
24. Talking and sound-making devices that enable a person to perform daily tasks, including talking calculators, specially adapted cell phones, specially adapted watches, alarm clocks, kitchen and bathroom scales, light detectors, electronic hand held bar code readers and liquid level indicators.
25. Teletypewriters or similar devices required by a person with a disability to make or receive phone calls.
26. Television closed caption decoders (including volume control feature and visual or vibratory signalling device) required by a person with a disability.
27. Water filter, cleaner, or purifier – the expense incurred by a person to cope with or overcome a severe chronic respiratory ailment, or severe chronic immune system degeneration.
28. Word-to-text devices – for a person with a disability that causes moderate to severe impairment in hand functions or visual or hearing impairments) such as some persons with Cerebral Palsy.

## **SERVICES**

Expenditure in this category refers to expenditure incurred and paid by the taxpayer for services acquired by him or her which are required by a person with a physical impairment or disability so that he or she can function or perform daily activities.

Only services that are acquired from an independent service provider who is not a spouse or a relative of a person with a disability (unless the spouse or relative is in the business of providing such service) will qualify.

### **Examples:**

1. Deaf-blind intervening services.
2. Lip-speaker services.
3. Note-taking services, including real-time captioning.
4. Reading services.
5. Rehabilitative therapy to teach a person to function or perform basic daily activities (e.g. how to use a wheel chair, dressing, grooming etc).
6. Sign-language interpretation services used by a person with a hearing impairment.
7. Special education schools for learners with disabilities. Qualifying expenses will include –
  - school assistant or classroom costs; and
  - school fees limited to the amount in excess of the fees that would have been payable if the person attended the closest fee-paying public school not specialising in learners with special educational needs.

8. School not specialising in learners with special educational needs – limited to additional expenses incurred and paid as a result of the disability.
9. Tutoring services used by, and which are supplementary to the primary education of a person with a learning disability or impairment in intellectual or mental functions, and paid to someone in the business of providing such services that is not related to the person being tutored.
10. Driver services for a person with a disability.
11. Special training services for a person with a disability – this category includes expenditure incurred and paid for specialised training provided to a person with a disability for rehabilitation purposes. This will include training to cope with the disability, how to use an assistive device or aid etc.

### **CONTINENCE PRODUCTS**

1. Catheters, catheter trays, tubing, or other products required for incontinence management.
2. Colostomy, urostomy and ileostomy products, and associated products and aids.
3. Diapers, disposable briefs, pads, linen and mattress savers for a person who is incontinent due to an illness, injury or affliction.
4. Anal-irrigation kits (bowel management).

### **SERVICE ANIMALS**

Expenditure in this category refers to expenditure incurred and paid in respect of a service animal required by a person with a disability in order to function or perform daily activities.

#### **Examples:**

1. The cost of an animal specifically trained to be used as an aid to perform daily functions.
2. The care and maintenance (including food and veterinarian care) of such an animal.

### **ALTERATIONS OR MODIFICATIONS TO ASSETS ACQUIRED OR TO BE ACQUIRED**

Expenditure in this category refers to expenditure incurred and paid by the taxpayer for alterations or modifications to assets to make such assets accessible or usable by a person with a physical impairment or disability so that they can function or perform daily activities.

#### **Examples:**

1. Power-operated stairs/lift or guided chairs to be used in a stairway and their installation cost. Driveway access – reasonable amounts paid to alter the driveway of the main residence.
2. Elevators to enable access to different levels of a building, enter or leave a vehicle, or place a wheelchair on or in a vehicle.



3. Amounts paid in respect of alterations to a new or existing primary residence to give a person reasonable access, mobility or functioning to or within the home, such as, –
- buying and installing outdoor ramps where stairways impede the person's mobility;
  - enlarging halls and doorways to give the person wheelchair-access to the various rooms of the residence;
  - lowering kitchen or bathroom cabinets to give the person access to them; and
  - bathroom aids to help a person get in or out of a bath or shower or to get on or off a toilet.

**Note:**

The cost of acquiring the dwelling does not qualify for the deduction.

4. Vehicles – modifications to the vehicle to permit a person with a disability to gain access in and out of the vehicle or to drive the vehicle.

**Note:**

The cost of acquiring the vehicle will not qualify for a deduction.

5. Security systems – modifications to a security system (e.g. alarms) to enable a person with a disability to use or operate it. For example, modifications to the alarm system to emit a red light instead of making a sound to warn a person with a hearing impairment that the alarm has been activated will qualify.

**Note:**

The cost of acquiring and installing the security system itself will not qualify for a deduction.

6. Swimming pools – modifications or alterations to a swimming pool to enable a person with a disability to gain access in and out of the swimming pool, for example, installing rails or a hoist.

**Note:**

The construction and installation cost of the swimming pool will not qualify.

7. Garage doors, gates or doorway (only in respect of persons with a moderate to severe mobility impairment (e.g. a wheelchair user etc) and a double amputee of upper limbs – the cost of automating a garage door, a gate or doorway (including a remote).

**Note:**

The cost of acquiring and installing a gate, garage door or door itself will not qualify.