

Legislators Mull Tax Deductions for Pet Care

Recently introduced measure would make pet care expenses tax-deductible in the U.S.

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Pet care expenses would be tax-deductible under a new measure recently introduced by U.S. Representative Thaddeus McCotter (R-MI).

H.R. 3501, commonly referred to as the Humanity and Pets Partnered Through the Years (HAPPY) Act, would amend the Internal Revenue Code to allow an individual to deduct up to \$3,500 for “qualified pet care expenses.”

“Qualified pet care expenses” are defined as “amounts paid in connection with providing care (including veterinary care) for a qualified pet other than any expense in connection with the acquisition of the qualified pet.”

“Qualified pet” is defined as “a legally owned, domesticated, live animal.” It does not include animals used for research or owned or utilized in conjunction with a trade or business.

The Act would not cover a person who deducted expenses under IRC sections 162 (ordinary and necessary expenses) and 213 (diagnostic and similar procedures, medical devices and other medical expenses not covered by insurance) during the preceding three taxable years.

The measure, which was introduced on July 31, was drafted in conjunction with data from the American Pet Products Association’s National Pet Owners Survey. It has been referred to the House Committee on Ways and Means.

The Pet Industry Joint Advisory Council (PIJAC) issued an alert on Aug. 5 supporting the proposal.

“Providing pet owners the opportunity to deduct pet care expenses is an important step towards ensuring that pet owners provide adequate veterinary and other necessary pet care,” PIJAC stated in the alert. “It encourages responsible pet ownership and will hopefully reduce the abandonment of pets by people struggling as a result of the economic downturn.”