



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

**AB-1282 Personal Income Tax Law: credits: medical expenses.** (2025-2026)

SHARE THIS:  

Date Published: 02/21/2025 09:00 PM

CALIFORNIA LEGISLATURE— 2025–2026 REGULAR SESSION

**ASSEMBLY BILL**

**NO. 1282**

Introduced by Assembly Member Jeff Gonzalez  
(Coauthor: Assembly Member DeMaio)  
(Coauthor: Senator Ochoa Bogh)

February 21, 2025

An act to add and repeal Section 17210 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

**LEGISLATIVE COUNSEL'S DIGEST**

AB 1282, as introduced, Jeff Gonzalez. Personal Income Tax Law: credits: medical expenses.

The Personal Income Tax Law in modified conformity with federal income tax laws, generally allows various deductions in computing the income that is subject to tax imposed under that law.

This bill would, for taxable years beginning on or after January 1, 2025, and before January 1, 2030, allow a deduction in computing income for out-of-pocket medical costs, as defined. The bill would limit the deduction to \$5,000 per taxable year.

Existing law requires any bill authorizing a new tax expenditure to contain, among other things, specific goals, purposes, and objectives that the tax expenditure will achieve, detailed performance indicators, and data collection requirements.

This bill would include additional information required for any bill authorizing a new tax expenditure.

This bill would take effect immediately as a tax levy.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

**THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:**

**SECTION 1.** Section 17210 is added to the Revenue and Taxation Code, to read:

**17210.** (a) (1) For taxable years beginning on or after January 1, 2025, and before January 1, 2030, there shall be allowed a deduction in an amount equal to the out-of-pocket medical costs paid or incurred by the taxpayer during the taxable year.

(2) The deduction allowed by this section shall not exceed five thousand dollars (\$5,000).

(b) For purposes of this section, the term “out-of-pocket medical costs” means those costs for medical care paid by the taxpayer that are not covered by insurance, recovered, or reimbursed.

(c) Any other deduction otherwise allowed under this part for that amount of out-of-pocket medical costs paid or incurred by the taxpayer that is eligible for the deduction allowed by this section shall be reduced by the amount of the deduction allowed in subdivision (a).

(d) (1) For purposes of complying with Section 41, the Legislature finds and declares as follows:

(A) The goal, purpose, and objective of the deduction allowed by this section is to provide taxpayers with an annual reprieve from the rising costs of health care within the state.

(B) The performance indicators for the Legislature to use in determining whether the deduction achieves the stated goal shall be the number of taxpayers that are allowed a deduction, and the average dollar value of deductions allowed.

(2) (A) No later than December 1, 2026, and each December 1 thereafter, the Franchise Tax Board shall submit a report to the Legislature, in compliance with Section 9795 of the Government Code, detailing the number of taxpayers allowed a deduction pursuant to this section and the average dollar value of deductions allowed, to the extent data is available.

(B) The disclosure requirements of this paragraph shall be treated as an exception to Section 19542.

(e) This section shall remain in effect only until December 1, 2030, and as of that date is repealed.

**SEC. 2.** This act provides for a tax levy within the meaning of Article IV of the California Constitution and shall go into immediate effect.