

Gig Worker's Health Insurance Tax Deduction Guide

What You Can Deduct ■

- Health insurance premiums (SafetyWing, marketplace plans, private insurance)
- Dental insurance
- Vision insurance
- Long-term care insurance
- Spouse and dependents' coverage

What You CANNOT Deduct ■

- Premiums paid for months you were eligible for employer-sponsored coverage
- Premiums paid by your employer (pre-tax)
- Amounts that exceed your self-employment income
- Health savings account (HSA) contributions (deducted separately)

How to Claim This Deduction

Step 1: Calculate Total Premiums (ex: SafetyWing $\$42 \times 12 = \504 ; Dental $\$25 \times 12 = \300 ; Total $\$804$)

Step 2: Report on Schedule 1 (Form 1040), Line 17

Step 3: Deduction reduces AGI:

- Lower taxable income
- May qualify for other credits
- May reduce self-employment tax

Real Examples

- Freelance Designer — \$45k income, \$504 premiums, 22% bracket, \$111 saved, \$393/yr effective cost
- Uber Driver — \$32k income, \$504 premiums, 12% bracket, \$60 saved, \$444/yr effective cost
- Consultant — \$95k income, \$3600 premiums, 24% bracket, \$864 saved, \$2736/yr effective cost

Important Rules & Limitations

- Rule #1: Deduction cannot exceed self-employment income
- Rule #2: Employer coverage disqualifies deduction for those months
- Rule #3: You must have positive net profit to deduct premiums

Common Questions

Q: Can I deduct SafetyWing part-time? A: Yes, if you had gig income and no employer coverage.

Q: What if I didn't use insurance? A: Still deductible.

Q: Do I need to itemize? A: No, above-the-line deduction.

Global health insurance for your remote team

Q: Can I deduct spouse's coverage? A: Yes, if filing jointly with gig income.

The Bottom Line

If you're a gig worker, you could save hundreds annually just by deducting premiums.

■ **Get Covered with SafetyWing**



Insurance for everyone

SafetyWing lets you add anyone to your plan including full time employees, contractors or anyone else associated with your company.



Live and work from anywhere

Let your employees work from any country they choose, without changing their insurance.



Support you can rely on

You and your team get dedicated 24/7 support from day one.

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