

Recommendations of an occupational health doctor

An employer must ensure that the health of an employee does not deteriorate while working for the employer, which is why the expenses incurred for the performance of this obligation are related to business. Thus, costs incurred for the health of an employee, the need for which arises directly from the employee's employment with that employer, regardless of whether the costs have been incurred for the organisation of rehabilitation of the employee, the planning and implementation of preventive measures, to avoid or reduce health risks, are exempt from tax.

Employer is not obliged to cover the health costs that an employee would incur if he or she did not perform the agreed work with that employer. If the employer does so, the expenditure is treated as a fringe benefit and is subject to taxation.

Based on a recommendation of an occupational health doctor, expenses made to an employee for prevention or rehabilitation due to the nature of his or her work are not subject to taxation. In accordance with good practice, the doctor clearly determines the recommendations in his or her decision (duration of treatment, number of procedures, etc.), which helps to understand the doctor's requests and accurately comply with the instructions.

Thus, the **doctor's recommendation must be understandable and enforceable** and related to the prevention or reduction of possible health damage due to the nature of the work of a particular employee (e.g., the recommendation given to an employee working with a computer to undergo a shoulder massage 10 times within a month). If the doctor's recommendation is general, the expenses are considered to be a fringe benefit. The courts have taken the same position as the tax authority, view the decision of the Tallinn Circuit Court judgement No 3-08-1465 of 24.11.2010.

Usual health expenses are not deemed to be occupational health expenses exempt from tax. Taking care of one's own health (gym, aerobics, swimming, etc.) is the employee's own responsibility and the employer has no obligation to cover such expenses. If the employer covers these costs (including on the basis of the recommendation of an occupational health doctor), it is necessary to ensure that the costs do not exceed the tax-exempt limit for sports and health expenses (400 euros in a year per employee).

Read more: [About the taxation of health and sports expenses.](#)

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