

ADA Tax Credit Summary

Gentner Assistive Listening Systems Qualify for a Tax Credit!

On July 29, 1990, President George Bush signed the American with Disabilities Act (ADA S.933) into law. The ADA is a comprehensive bill designed to end discrimination against persons with handicaps and to provide full accessibility for persons with handicaps, including communication handicaps such as hearing impairment. Reasonable accommodations of the ADA involve making existing facilities accessible to the disabled by acquiring or modifying equipment or devices, including amplifiers, assistive devices or hearing aids.

A tax credit was created to offset the cost of equipment acquisition. The following is a summary of the tax credit from the ADA Tax Incentives for Improving Accessibility:

Tax Credit

The tax credit, established under Section 44 of the Internal Revenue Code, was created in 1990 specifically to help small businesses cover ADA-related eligible access expenditures. A business that for the previous tax year had either revenues of \$1,000,000 or less or 30 or fewer full-time workers may take advantage of this credit. The credit can be used to cover a variety of expenditures, including:

- provision of readers for customers or employees with visual disabilities
- provision of sign language interpreters
- purchase of adaptive equipment

- production of accessible formats of printed materials (i.e., Braille, large print, audio tape, computer diskette)
- removal of architectural barriers in facilities or vehicles (alterations must comply with applicable accessibility standards)
- fees for consulting services (under certain circumstances)

Note that the credit cannot be used for the costs of new construction. It can be used only for adaptations to existing facilities that are required to comply with the ADA.

The amount of the tax credit is equal to 50% of the eligible access expenditures in a year, up to a maximum expenditure of \$10,250. There is no credit for the first \$250 of expenditures. The maximum tax credit, therefore, is \$5,000.

Annual Incentives

The tax credit and deduction can be used annually. You may not carry over expenses from one year to the next and claim a credit or deduction for the portion that exceeded the expenditure limit the previous year. However, if the amount of credit you are entitled to exceeds the amount of taxes you owe, you may carry forward the unused portion of the credit to the following year.

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For further details and information, review these incentives with an accountant or contact your local IRS office or the national address below.

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www.irs.gov

Choose Gentner ALS for your next assistive listening system and qualify for a tax credit!



Applicable Businesses

The tax credit applies to virtually all privately owned businesses that provide goods or services to consumers, clients, or visitors. Categories include:

- Motion picture houses, theaters, concert halls, stadiums, or other places of exhibition or entertainment.
- Auditoriums, convention centers or lecture halls.
- Elementary, secondary, undergraduate or graduate schools.

For more information on the ADA requirements and guidelines that are specific to the hearing impaired, see Gentner's ADA Summary <http://gentnerals.starin.biz/news.php>.