

DEAF-FRIENDLY RESOURCES: CREDITS & DEDUCTIONS

To assist small businesses in complying with the Americans with Disability Act (ADA), the Internal Revenue Service (IRS) has a range of tax credits and deductions that businesses may qualify for. Businesses accommodating individuals with disabilities (including deaf, deafblind and hard of hearing individuals) may qualify for some of the following tax credits and deductions listed here. The following information provides general, not legal, information about three of the most significant tax incentives. For more detailed information, please see the IRS website: www.irs.gov

1

Disabled Access Credit

The Disabled Access Credit provides a non-refundable credit up to \$5,000 annually for small businesses that incur expenditures for the purpose of providing access to persons with disabilities. An eligible small business is one that earned \$1 million or less or had no more than 30 full time employees in the previous year; they may take the credit each and every year they incur access expenditures. Eligible expenses may include the cost of undertaking barrier removal and alterations to improve accessibility, such as providing Sign Language Interpreters, Communication Access Real time Translation (CART), or making marketing materials available in accessible formats such as Braille, audiotape or large print. Please refer to [Publication 535](#) and [Form 8826, Disabled Access Credit \(PDF\)](#), for information about eligible expenditures.

2

Barrier Removal Deduction

The Architectural Barrier Removal Tax Deduction encourages businesses of any size to remove architectural and transportation barriers to the mobility of persons with disabilities and the elderly. Businesses may claim a deduction of up to \$15,000 a year for qualified expenses for items that normally must be capitalized. Businesses claim the deduction by listing it as a separate expense on their income tax return. Also, businesses may use the Disabled Tax Credit and the Barrier Removal Deduction together in the same tax year, if the expenses meet the requirements of both sections. Please refer to [Publication 535](#) for more information.

3

Work Opportunity Credit

The Work Opportunity Credit provides employers who hire certain targeted groups, including individuals referred from vocational rehabilitation or individuals receiving Supplemental Security Income (SSI), with an annual tax credit of up to \$2,400 for each qualifying employee who works at least 400 hours during the tax year. Additionally, a maximum credit of \$1,200 may be available for each qualifying summer youth employee. An employee with a disability is one of the targeted groups for the Work Opportunity Credit, provided the appropriate government agencies have certified the employee as disabled. Employers claim the credit on [Form 5884, Work Opportunity Credit \(PDF\)](#).