

From: <https://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Tax-Benefits-for-Businesses-Who-Have-Employees-with-Disabilities>

Tax Benefits for Businesses Who Have Employees with Disabilities

Businesses accommodating people with disabilities may qualify for some of the following tax credits and deductions. More detailed information may be found in the IRS publications referenced.

Disabled Access Credit

The Disabled Access Credit provides a non-refundable credit for small businesses that incur expenditures for the purpose of providing access to persons with disabilities. An eligible small business is one that 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. Refer to [Form 8826, Disabled Access Credit](#) (PDF), for information about eligible expenditures.

Barrier Removal Tax 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 architectural/transportation tax deduction together in the same tax year, if the expenses meet the requirements of both sections. To use both, the deduction is equal to the difference between the total expenditures and the amount of the credit claimed.

From: <https://www.mileiq.com/blog/what-is-the-disabled-access-credit/>

What Is the Disabled Access Credit?

Small businesses that provide special accommodations for individuals with disabilities serve a vital role in improving accessibility for all, but they often incur significant expenditures in doing so. Fortunately, many of these businesses can receive tax relief through a [small business tax credit](#) known as the Disabled Access Credit. Learn about eligible expenses and limitations to claim the Disabled Access Credit with confidence.

The Disabled Access Credit is a nonrefundable tax credit that serves to incentivize businesses that provide access to individuals with disabilities but incur expenditures in the process. This

small business tax credit is available exclusively to businesses that earn \$1 million or less in gross receipts and employ no more than 30 individuals on a full-time basis in the previous year. A full-time employee is defined by the IRS as one who is employed for at least 30 hours a week for 20 or more calendar weeks during the tax year.

The credit is limited to 50 percent of the amount of the eligible expenditures between \$250 and \$10,250, meaning that it could yield a credit of as much as \$5,000 per current guidelines. But as an added benefit, the credit can be taken every year in which qualifying expenditures are incurred.

Which Expenditures Qualify for the Disabled Access Credit?

Eligible expenditures constitute “reasonable and necessary” expenses paid or incurred by eligible small businesses in compliance with certain requirements of the *Americans with Disabilities Act of 1990*. These include expenses incurred for the following:

- Removing barriers that prevent your business from being accessed or used by disabled individuals
- Interpreters or other means of making audio available to the hearing-impaired
- Readers, taped text or other means of making visual materials available to the visually-impaired
- Equipment or devices for disabled individuals

The definition of “disabled” for the purposes of this credit is broad enough to accommodate a wide swathe of individuals who may benefit from improved access, including those with either a physical or mental impairment that significantly limits their life activities, a record of impairment or those who are generally regarded as being impaired.

How Do You Claim the Disabled Access Credit?

If your business is eligible for the Disabled Access Credit, you can claim it using [Form 8826](#), “Disabled Access Credit.” This small business tax credit prevents a double benefit, meaning that based on the credit entered on line 6, you cannot again claim these expenditures as a deduction in taxable income or to claim any other credit. Other than partnerships or S corporations, if your only source of this credit is from pass-through entities, you need not file Form 8826, but can report the credit on [Form 3800](#), “General Business Credit.”

If you are a member of a controlled group of corporations or businesses, you will be treated as a single taxpayer for the purposes of this credit. In this scenario, the credit should be calculated based on the proportionate share of the eligible access expenditures and then supplied on line 6 with an attached statement on how the share of the credit was computed.

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