



Tax Incentives Tip Sheet

There are some great tax incentives available for employers who hire a person with a disability, or just want to make their business more accessible to customers. Here are the three most commonly used:

NO. 1

SMALL BUSINESS TAX CREDIT

This can be used for removing architectural barriers in existing facilities, equipment acquisitions, and auxiliary aids and services.

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

NO. 2

ARCHITECTURAL/TRANSPORTATION TAX DEDUCTION

Deduction can be used for removing barriers in existing facilities or transportation vehicles. Examples of allowable expenditures include widening doors, installing ramps, modifying vehicles, etc., and barrier removal activities must comply with applicable accessibility standards.

Maximum deduction of **\$15,000 per year.**

NO. 3

WORK OPPORTUNITIES TAX CREDIT (WOTC)

Provides a tax credit for employers who hire certain targeted low-income groups.

Tax credit of up to 40% of the first \$6,000, or **up to \$2,400**, in wages paid during the first 12 months for each new hire.