

ESBLN Eastern Shore Business Leadership Network
By Jackie Gast, Director

Like most everyone, this is the time of year I start thinking about our wonderful American privilege of paying taxes. Did you know as a business, you are eligible for Federal and Maryland tax deductions or credits for money spent on accommodations for current or prospective employees who have disabilities? Funny thing about these incentives - your accountant should know about them but do you? Accountants can't "Show You the Money" if you're not informed about qualifying accommodations.

Sue Thomas F.B.I. Eye, a TV show based on the real Sue Thomas who, although profoundly deaf, became an FBI agent who worked in surveillance operations. She had a keen ability to read lips and could record a conversation between criminals from a distance. Her accommodation might be to allow space for her guide dog or to provide a TTY phone for her use. Cost to the FBI? Probably less than \$200.

In Salisbury, MD at Harvard Custom Manufacturing, a TTY phone was installed for hearing-impaired employees as well as the issuance of a pager in case of an emergency. Approximate one time cost of these accommodations was \$200. Unfortunately, to receive the Federal credit, a minimum of \$250 must be spent. Fortunately, Harvard more than recouped this cost since these employees have resulted in higher productivity and greater retention. Why? Perhaps because of fewer on-the-job distractions. Installation of the TTY phone potentially helps other employees who may have to communicate with hearing-impaired or elderly family members.

If you watch *ER* on Thursday nights, you will know about Dr. Kerry Weaver, chief of staff, who uses arm braces. An accommodation for her may be to have supplies and access to patient charts and other necessary equipment at a level where she can reach. She benefits from the elevator but of course, so does everyone else! Cost of these accommodations for Kerry? Most likely, minimal or zero, and all employees benefit.

Maryland offers a tax credit for wages paid on behalf of employing people with disabilities for the first two years of employment. The maximum total credit is \$3,000 plus up to \$1,100 in child care or transportation expenses. Check out Maryland tax form 500CR.

Deductions can be taken on Federal returns up to \$15,000 for the removal of physical, structural and transportation barriers such as widening doors, building ramps and/or modifying vehicles (Form 907 & 535). Small business can take a Federal tax credit for most expenses to comply with the Americans with Disabilities Act (ADA) for barrier removal, building ramps and providing sign language interpreters or creating Braille documents if the costs are between \$250 and \$10,250 (Form 8826).

To wrap up this article, the point isn't so much that business can get tax money back by hiring people with disabilities but that many times there is little or no cost to make an accommodation to get or keep a good employee. Open your mind, eyes and ears to cost savings.