

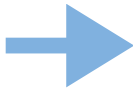
# Employer Tax Incentives

## Employing Individuals with Disabilities & Accessibility Improvements

There are several tax incentives related to accessibility and employment of individuals with disabilities. These incentives are intended to **increase accessibility** for workers and **decrease barriers to employment**.

### Work Opportunity Tax Credit

The [Work Opportunity Tax Credit](#) is an **incentive for employers** to hire **qualified individuals** from groups that have **consistently faced significant barriers to employment**, including people with disabilities, people who have been convicted of felonies, and veterans.



The credit is limited to the amount of the business income tax liability or Social Security tax owed. A taxable business may apply the credit against its business income tax liability. For tax-exempt organizations, the credit is limited to the amount of employer Social Security tax owed on the total taxable Social Security wages and tips reported by the organization for the period in which the credit is claimed.

### Customized Employment/Supported Employment Tax Credit

The [North Dakota Customized Employment/Supported Employment Tax Credit](#) provides a state income tax credit to employers who hire an individual with a developmental disability or severe mental illness. This program allows a tax credit of 25% of wages, up to \$6,000 annually for each qualifying employee. Vocational Rehabilitation reviews applications and determines if an individual is a qualifying employee. A certifying letter will state if the individual is a qualifying employee. An employer must include a copy of the certification letter with the tax return to claim the tax credit.



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## Architectural Barrier Removal Tax Deduction

The [Architectural Barrier Removal Tax Deduction](#) is a tax deduction of **up to \$15,000/ year** for expenses related to **removing architectural barriers that impede accessibility**. It applies to all businesses. Examples of qualified expenses can include widening doors or building ramps.

## Disabled Access Credit

The [Disabled Access Credit](#) is a **non-refundable tax credit** a **small business** may receive for expenditures to **provide accessibility**. Small businesses can take the credit every year they have expenditures related to disability access.

Examples of eligible access expenditures include:

- Removing barriers that prevent a business from being accessible or usable.
- Providing interpreters or other methods of communication to Deaf individuals or hard-of-hearing individuals.
- Providing readers, audio recordings of texts, or other methods to make visual information accessible to Blind people or people with low vision.
- Acquiring or modifying equipment or devices for individuals with disabilities.

Eligible expenditures must be reasonable and necessary.

**To be eligible for the credit, the business must have earned \$1 million or less and have no more than 30 full time employees.**

**Both the Disabled Access Credit and Architectural Barrier Removal Tax Deduction may be claimed in the same tax year if the expenses meet the requirements for both. To use both, the deduction equals the difference between the total expenditures and the amount of the credit claimed.**

## Additional Resources:

- [IRS: Tax Benefits for Businesses Employing Individuals with Disabilities](#)
- [ADA: Quick Tips Tax Incentives](#)
- [DOJ: Tax Incentives for Businesses](#)