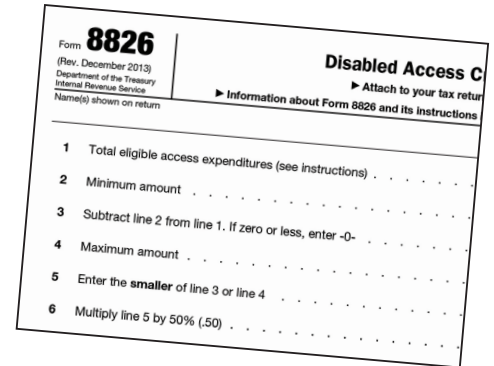


Financial Strategies For Purchasing A TheraLight

THERALIGHT

TAX CREDIT WITH IRS ADA SECTION 44

The Americans with Disabilities Act (ADA) mandates that businesses modify their facilities to include people with disabilities. As a result, the Internal Revenue Code (IRS) contains several sections that provide Tax Incentives to comply with the law. IRS Section 44 of the Internal Revenue Code grants eligible small businesses an annual tax credit of up to \$5,000 for expenditures incurred to comply with applicable requirements under the Americans with Disabilities Act, including purchasing certain equipment that is for individuals with disabilities. The amount that may be taken is 50% of the eligible access expenditures incurred that exceed \$250 but do not exceed \$10,250 per tax year. A business may take the Tax Credit each year for new eligible expenditures.



Form **8826**
(Rev. December 2013)
Department of the Treasury
Internal Revenue Service
Name(s) shown on return

Disabled Access Credit
▶ Attach to your tax return
▶ Information about Form 8826 and its instructions

1	Total eligible access expenditures (see instructions)
2	Minimum amount
3	Subtract line 2 from line 1. If zero or less, enter -0-
4	Maximum amount
5	Enter the smaller of line 3 or line 4
6	Multiply line 5 by 50% (.50)



Eligible small businesses are those businesses with either: 1) \$1 million or less in gross receipts for the preceding tax year; or 2) 30 or fewer full-time employees during the preceding tax year. Eligible expenditures are amounts paid or incurred by an eligible small business for the purpose of enabling the business to comply with the applicable requirements of the Americans with Disabilities Act (ADA).

IRS Section 44 allows for a "tax credit" as opposed to a "tax deduction". A "tax credit" reduces taxes owed whereas the "tax deduction" reduces Adjusted Gross Income. IRS Section 44 can be used in conjunction with other tax reduction economic stimulus programs such as IRS Section 179 and the Job Creation and Worker Assistance Act of 2002.

The TheraLight can be used to treat individuals with disabilities and meets the requirements as an eligible expenditure for the IRS ADA Section 44, as long as the business meets their requirements.

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