



Section 44(a) of the Code provides that an eligible small business may claim a credit equal to 50 percent of the eligible access expenditures for the taxable year that exceed \$250 but do not exceed \$10,250. Therefore, the maximum credit allowed to an eligible small business for a taxable year is \$5,000. Section 44(b) defines Aeligible small business@ as any person if either (A) the gross receipts of such person for the preceding taxable year did not exceed \$1,000,000, or (B) such person employed not more than 30 full-time employees during the preceding taxable year. Section 44(c) generally defines Aeligible access expenditures@ as amounts paid or incurred by an eligible small business for the purpose of enabling such eligible small business to comply with the applicable requirements under the ADA. We have enclosed a copy of section 44 for your information.

#### Architectural and Transportation Barrier Removal Deduction

Section 190(a)(1) provides that a taxpayer may elect to treat qualified architectural and transportation barrier removal expenses that are paid or incurred during the taxable year as expenses which are not chargeable to capital account. The expenditures so treated shall be allowed as a deduction. The maximum deduction allowed to a taxpayer for any taxable year is \$15,000. Section 190(c). Section 190(b) defines the term Aarchitectural and transportation barrier removal expenses@ as an expenditure for the purpose of making any facility or public transportation vehicle owned or leased by the taxpayer for use in connection with his trade or business more accessible to, and usable by, handicapped and elderly individuals. Section 1.190-2(b) of the Income Tax Regulations provides a detailed definition of Aqualified architectural and transportation barrier removal expense.@ No deduction under section 190 is allowed for the amount of the disabled access credit determined under section 44. Section 44(d)(7). We have enclosed a copy of section 190 and its underlying regulations for your information.

We hope that this information is helpful to you. If you have any additional questions, you may contact me [REDACTED].

Sincerely,

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Leslie H. Finlow  
Chief, Branch 7  
Associate Chief Counsel  
(Passthroughs and Special Industries)