

“This applies to Small Businesses ONLY”



Recumbent Cross Trainers

The NuStep qualifies as an eligible access expenditure. Please consult your tax advisor to determine if your small business qualifies for this credit.

ADA Information

What is the ADA?

ADA stands for the Americans with Disabilities Act. The Americans with Disabilities Act requires facilities to provide equal access and opportunity to persons with disabilities. This includes those in wheelchairs and with other disabilities.

What is an ADA tax credit?

It is a tax credit for expenditures to provide access to disabled individuals. Under Internal Revenue Code, Section 44, an Income Tax credit (not just a deduction) of up to \$5,000 is available on the cost of equipment purchased to comply with the ADA. The equipment must be for individuals with disabilities but does not have to be for the exclusive use of individuals with disabilities. Wheelchair accessible T4, T5, and T5^{xt} recumbent cross trainers would qualify in most areas which are suitable for use by those with disabilities and those without.

- Refer to Code Section 44 of the Federal Tax Guide for more detailed information.
- Use Tax Form 8826 to Claim your ADA Tax Credit

How much credit is available?

The amount of the credit is 50% of the amount of eligible access expenditures for a year that exceed \$250 but do not exceed \$10,250. No other deductions or credits are permitted for any amount for which a disabled access tax credit is allowed.

- The maximum tax credit allowable \$5,000

Who is eligible?

An eligible small business is defined as any person who elects to claim the disabled access tax credit and either:

1) Had gross receipts for the preceding tax year that did not exceed one million dollars.

OR

2) Had no more than 30 full time employees during the preceding tax year.

- Facilities should consult their professional tax advisor to verify eligibility.

What are the eligible expenditures?

1) Costs relating to the removal of architectural, communication, physical or transportation barriers that prevent a business from being accessible to, or usable by, disabled individuals.

NOTE: Costs incurred during new construction do not qualify. Also, the taxpayer faces the burden of proving to the IRS that barrier removal complies with the standards of the Architectural and Transportation Barriers Compliance Board.

2) To provide qualified interpreters or other effective methods of making aurally delivered materials available to hearing impaired individuals.

3) To provide qualified readers, taped texts, and other effective methods of making visually delivered materials available to visually impaired individuals.

4) To acquire or modify equipment or devices for disabled individuals.

- **Our fitness center clients are the most likely to qualify.**

5) To provide other similar services, modifications, materials, or equipment.

Are NuStep recumbent cross trainers eligible equipment?

YES! The NuStep T4, T5, and T5^{XR} recumbent cross trainers are great for clubs and facilities that wish to take advantage of this tax credit:

- They comply with the Americans With Disabilities Act
- They provide easy wheelchair access.
- For more information on eligible tax expenditures, please consult the ada website at www.ada.gov and your tax advisor.

How do I get more information?

The best way to get more information on the ADA tax credit is to consult your professional tax advisor or tax accountant. Tax laws change from year to year and a tax professional would have the most current information.

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