

People with developmental disabilities and their families face unique challenges, like major medical costs, barriers to employment, difficulty affording housing. Any changes to tax laws should not put extra costs on, or make it harder to use tax benefits for, people with developmental disabilities and their families.

People with developmental disabilities, just like other people, benefit from a lot of different types of tax credits and deductions. Some of those benefits include:

- The ability to deduct medical and long-term care expenses, which helps families care for children with significant medical needs in the family home.
- ABLE accounts, which let people invest money that grows tax-free, as long as it is spent on needs that are directly related to a person's disability.

Other types of tax benefits help make housing more affordable:

- The ability to deduct property taxes from federal tax returns.
- Private Activity Bonds, which encourage developers to build affordable housing.
- The Low-Income Housing Tax Credit promotes the construction of apartments and homes for lower-income individuals and families.

There are also tax programs that help support employment, and service providers, such as:

- The Work Opportunity Tax Credit, that gives employers up to \$2,400 in credit for each employee they hire who has a disability.
- A tax credit provided to small businesses (revenue under \$1 million a year, or fewer than 30 employees) that become more accessible for the benefit of employees with disabilities.
- The ability to deduct charitable donations to nonprofits – including foundations and some service providers.

And more broadly, the ability of Californians to deduct state and local taxes from federal tax returns makes it easier for the state to fund a range of human services (including disability-specific) programs.

Each of these parts of the tax code helps improve life for people with developmental disabilities, their families, and the community that supports them. Some are very targeted, and others are broadly relevant to the unique needs of people with developmental disabilities. Because of the importance of these types of benefits, no change should be made to tax laws that put extra costs on, or make it harder to use tax benefits for, the developmental disabilities community.