

Federal Hearing Aid Tax Credit

Statement of Problem

It is estimated that while 95% of people with hearing loss could be successfully treated with hearing aids, only 22% actually use them. 30% of those with hearing loss cite financial constraints as a core reason they do not use hearing aids. 71.4% of hearing aid purchases involve no third party payment, which places the entire burden of the hearing aid purchase on the consumer. (Statistics from Marketrak VIII 2009 consumer survey)

Facts

- Less than 1 in 10 people with mild hearing loss use hearing aids while only 4 in 10 people with moderate-to-severe hearing loss use amplification for their hearing loss (MarkeTrak VIII 2008 Survey).
- Hearing aids are not covered under Medicare or the vast majority of state mandated benefits; there is no longer coverage for adults under Medicaid.
- For seniors, untreated hearing loss causes additional costs to Medicare and other health programs due to loss of independence, social isolation, depression, safety issues and decreased quality of life (Better Hearing Institute, 2007).
- Individuals with a serious hearing loss can expect to earn \$12,000 less per year than individuals with mild hearing loss; however, income decline is cut in half for hearing aid owners (Better Hearing Institute, 2007).
- The estimated cost of lost earnings due to untreated hearing loss is \$122 billion while the cost to society in terms of unrealized federal taxes is \$18 billion (Better Hearing Institute, 2007).
- Children who do not receive early intervention cost schools an additional \$420,000 and overall lifetime costs of \$1 million in special education, lost wages, and health complications (International Journal of Pediatric Otorhinolaryngology, 1995).
- Untreated hearing loss among young people leads to social, emotional, behavioral, and learning difficulties (Better Hearing Institute, 2007).
- One out of five (22%) parents report they are unable to afford hearing devices for their children (Better Hearing Institute, 2007).

Solutions

Support House Resolution 104 introduced by Representative Marty Knollenberg which urges the United States Congress to pass HR 1646, the Hearing Aid Tax Credit Act. This bill provides a federal income tax credit of up to \$500 per hearing aid available once every five years towards the purchase of hearing aids, available to: 1) individuals age 55 and over, and 2) those purchasing hearing aids for dependents including families with children. The tax credit would not be available to tax payers whose modified adjusted gross income exceeds \$200,000.

Support Senator Hunter's resolution to memorialize Congress to pass S 1019, and introduce a concurrent resolution in the Michigan House. S 1019 is aligned with HR 1646 except that it covers all taxpayers, regardless of age, and there is no income cap.

The above fact sheet is included in the booklet sent to legislators. The “Solutions” above are what we would like to see legislators do regarding this issue. How can you advocate for this issue? Please read on.

HR 1646

Urge your representative in the House to support HR 104 which memorializes Congress to pass HR 1646, the Hearing Aid Tax Credit Act.

Urge your representative in Congress to sign on as a co-sponsor of HR 1646. The following Michigan Congress persons are co-sponsors: Rep. Vernon Ehlers, Rep. Dale Kildee, Rep. Candice Miller and Rep. Thaddeus McCotter. As of March 30, 2010, this bill has 117 co-sponsors. To track this bill, go to: <http://www.govtrack.us/congress/bill.xpd?bill=h111-1646>.

S 1019

Urge your state senator to support a resolution to memorialize Congress to pass S 1019. Senator Tupac Hunter’s office indicated on March 30 [2010] that he will sponsor a resolution to this effect.

Urge Senator Carl Levin to sign on as a sponsor to this bill. As of March 30, 2010, this bill has 9 co-sponsors. Senator Stabenow from Michigan is a co-sponsor. To track this bill, go to: <http://www.govtrack.us/congress/bill.xpd?bill=s111-1019>.

Thank Senator Stabenow for her co-sponsorship of S 1019. If your representative is a co-sponsor of HR 1646, thank that person as well.