

ISSUE BRIEF

Hearing Aid Assistance Tax Credit Act (H.R.1317/S. 1694)

Representative Tom Latham (R-IA), along with 8 original co-sponsors, introduced the Hearing Aid Assistance Tax Credit Act (H.R. 1479) in the House of Representatives. Senators Tom Harkin (D-IA) and Dean Heller (R-NV) introduced the Senate companion bill. This legislation provides a tax credit of up to \$500, per device, towards the purchase of a hearing aid, available once every five years. The tax credit would be available to those dependents of taxpayers, or taxpayers whose adjusted gross income is below \$200,000. The Senate bill imposes no restrictions based on income.

- A 1999 National Council on the Aging (NCOA) study demonstrated that untreated hearing loss often results in distorted communication, isolation, withdrawal, depression, anger and severely reduced overall psychological health in seniors.
- Financial constraints often create a barrier for consumers in need of hearing aids. According to the Better Hearing Institute, the average cost to treat hearing loss with a hearing aid is \$1,800, and 67 percent of patients require two devices. About 30 percent of people with hearing loss cite financial constraints as a central reason for not seeking treatment.
- The failure to properly address hearing loss with a hearing aid is a serious problem for millions of Americans. The Better Hearing Institute estimates that 95 percent of people with hearing loss could be successfully treated with hearing aids, although only about 22 percent of people hearing loss actually seek treatment.
- According to the Hearing Loss Association of America, hearing loss is the most prevalent birth defect in America today, affecting 2-3 infants per 1,000 births. Children can be fitted with hearing aids soon after birth. Children who do not receive early intervention cost schools an additional \$420,000 and are faced with overall lifetime costs of \$1 million in special education, lost wages, and health complications.