

# Small Business Notes

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## **U.S. Supreme Court Declines to Review Decision That Mobile Apps Used to Access Company Website Are Subject to the Americans with Disabilities Act**

On October 7, 2019, the U.S. Supreme Court denied review to the Ninth Circuit's January, 2019, decision in *Guillermo Robles v. Domino's Pizza* (See Small Business Notes for February, 2019). That denial leaves in place the Ninth Circuit's decision that the Americans with Disabilities Act applies not only to places of public accommodation but also to mobile apps accessed outside the place of public accommodation to enable individuals to access the services and products of the place of public accommodation (in this case to order a pizza for pickup). Also left intact was the holding that the continuing absence of U.S. Department of Justice standards for website accessibility does not eliminate the statutory duty of a place of public accommodation to make its website and mobile apps accessible to individuals with disabilities.

The Department of Justice earlier abandoned its efforts to write regulations on website accessibility as part of the Trump administration's efforts at deregulation. It is unlikely that Congress will take any legislative action. So the best course of action for a business website is to follow the Web Content Accessibility Guideline 2.0 published by the World Wide Web Consortium.

## **New Treasury Regulation Clarifies Self Employment Tax for Partners in a Partnership That Owns a Disregarded Entity**

It has not been uncommon for a partnership to form and own an entity that is a "disregarded entity" for tax purposes and to then have the entity employ partners in the partnership thus avoiding the partners having to pay self-employment taxes. On July 2, 2019, the Department of the Treasury (IRS) published a final rule making clear that partners could no longer avoid the self-employment tax in this situation. The two major points were:

- If a partnership is the owner of a disregarded entity (e.g., a limited liability company) the entity is not treated as a corporation for purposes of employing a partner;
- A partner in a partnership that owns such a disregarded entity is subject to the same self-employment tax rules as a partner in a partnership that does not own a disregarded entity.

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