



# City of Philadelphia

City Council  
Chief Clerk's Office  
402 City Hall  
Philadelphia, PA 19107

**BILL NO. 250268**

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**Introduced March 27, 2025**

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**Councilmember Brooks**

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**Not Assigned to Committee**

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## **AN ORDINANCE**

Amending Chapter 19-2600 of The Philadelphia Code (“Business Income and Receipts Taxes”) to increase the amount of exemption from the receipts portion of the Business Income and Receipts Tax, under certain terms and conditions.

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. Title 19 of The Philadelphia Code is hereby amended to read as follows:

### **TITLE 19. FINANCE, TAXES AND COLLECTIONS**

\* \* \*

### **CHAPTER 19-2600. BUSINESS INCOME AND RECEIPTS TAXES**

#### **§ 19-2601. Definitions.**

In addition to the definitions provided in the Act of May 30, 1984, P.L. 345, No. 69, known as the First Class City Business Tax Reform Act, and Chapter 19-500 of this Title, the following definitions shall apply:

\* \* \*

Receipts. Cash, credits, property of any kind or nature, received from conducting any business or by reason of any sale made, including resales of goods, wares or merchandise taken by a dealer as a trade-in or as part payment for other goods, wares or merchandise or services rendered or commercial or business transactions, without deduction therefrom on account of the cost of property sold, materials used, labor, service or other cost, interest or discount paid or any other expense. For the purpose of determining receipts from the business of insurance, such receipts shall mean those from premiums received from risks within the city of the first class,

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whether by mutual or stock companies, domestic or foreign, without any deductions therefrom for any cost or expenses whatsoever; except, premiums shall not include return premiums, dividends paid or credited to policyholders, if such dividends are in the nature of an adjustment of the premiums charged, and premiums received for reinsurance. Receipts from a person engaged in the business of insurance shall also include receipts from rental real estate situated in cities of the first class, but shall not include interest, dividend and capital gain receipts. Nothing in this definition shall preclude the taxation of other nonpremium business receipts of persons engaged in the business of insurance. For purposes of determining the source of receipts of a Software Company the Market Based Sourcing Rule shall apply in accordance with Section 408(8) of the Department of Revenue Business Privilege Tax Regulations so that the source of receipts from the sale of products and services shall be deemed to be the location where the recipient receives the benefit of the products and services. Receipts of any business shall exclude:

\* \* \*

(14) For tax year 2014, the first fifty thousand dollars (\$50,000) in taxable receipts received by any person or business subject to the business privilege tax under this Chapter; for tax year 2015, the first seventy-five thousand dollars (\$75,000) in taxable receipts received by any person or business subject to the business privilege tax under this Chapter; for tax [year] years 2016 [and thereafter] *through 2025*, the first one hundred thousand dollars (\$100,000) in taxable receipts received by any person or business subject to the business privilege tax under this Chapter[.]; *for tax years 2026 and thereafter, the first two hundred thousand dollars (\$200,000) in taxable receipts received by any person or business, subject to the business privilege tax under this Chapter.*

\* \* \*

SECTION 2. This Ordinance shall become effective immediately.

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## Explanation:

[Brackets] indicate matter deleted.  
*Italics* indicate new matter added.