

# City of Philadelphia



(Bill No. 130853)

## AN ORDINANCE

Amending Chapter 19-2600 of The Philadelphia Code, entitled “Business Income and Receipts Taxes,” by revising the number of businesses that may obtain a credit against business income and receipts taxes upon contributing to certain nonprofit intermediaries engaged in neighborhood economic development activities within the City of Philadelphia; all under certain terms and conditions.

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

SECTION 1. Chapter 19-2600 of The Philadelphia Code is hereby amended to read as follows:

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

\* \* \*

§ 19-2604. Tax Rates, Credits, and Alternative Tax Computation.

\* \* \*

(6) Credit for Contributions to Community Development Corporations, Nonprofit Organizations Engaged in Developing and Implementing Healthy Food Initiatives and Nonprofit Intermediaries.

(a) Definitions. For purposes of this subsection, the following definitions shall apply:

(.1) Qualifying CDC. A community development corporation undertaking economic development activities within the City of Philadelphia.

(.2) Qualifying Nonprofit Organization Engaged in Developing and Implementing Healthy Food Initiatives. A nonprofit organization with an established record of developing and implementing healthy food initiatives within the City of Philadelphia. The Department of Public Health shall determine whether an agency meets these standards, and may establish further eligibility standards not inconsistent with this definition.

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(.3) **Qualifying Nonprofit Intermediary.** A nonprofit organization with an established record of providing financial, technical, policy or related assistance to community development corporations undertaking neighborhood economic development activities within the City of Philadelphia.

(.4) **Qualifying Organization.** A Qualifying CDC, Qualifying Nonprofit Organization Engaged in Developing and Implementing Healthy Food Initiatives or Qualifying Nonprofit Intermediary.

(b) Subject to the provisions of subsection (6)(f), a business shall receive a tax credit of \$85,000 per year against business income and receipts tax liability for each year the business contributes \$85,000 in cash to a Qualifying Organization under the terms and conditions of this subsection (6).

(c) Subject to the provisions of subsection (6)(f), the tax credit under this subsection (6) shall be available to up to forty (40) businesses, with respect to contributions to Qualifying CDCs or Qualifying Nonprofit Intermediaries, and up to two (2) businesses, with respect to contributions to Qualifying Nonprofit Organizations Engaged in Developing and Implementing Healthy Food Initiatives, that enter into a contribution agreement with the City under which the business agrees to contribute \$85,000 in cash per year for ten consecutive years to a Qualifying Organization designated by the business. No tax credit shall be given for any contributions made by a business to a Qualifying Organization other than pursuant to a contribution agreement with the City executed under the terms and conditions of this subsection (6).

(.1) At any one time, no more than [~~three~~] *four (4)* Qualifying Nonprofit Intermediaries and no more than two Nonprofit Organizations Engaged in Developing and Implementing Healthy Food Initiatives may be designated as recipients of contributions for which a business seeks to claim a tax credit pursuant to this subsection (6).

(d) The Revenue Department shall provide application forms for businesses that wish to apply for tax credits under this Section, and it shall enter into contribution agreements under this Section with up to forty (40) applicants, with respect to contributions to Qualifying CDCs or Qualifying Nonprofit Intermediaries, and up to two (2) applicants, with respect to contributions to Qualifying Nonprofit Organizations Engaged in Developing and Implementing Healthy Food Initiatives, on a "first come-first served" basis. The Revenue Department shall when necessary randomly choose among applicants that apply on the same date.

\* \* \*

SECTION 2. This Ordinance shall take effect immediately.

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**Explanation:**

[Brackets] indicate matter deleted.

*Italics* indicate new matter added.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on February 6, 2014. The Bill was Signed by the Mayor on February 19, 2014.



Michael A. Decker  
Chief Clerk of the City Council