City of Philadelphia

Council of the City of Philadelphia
Office of the Chief Clerk
Room 402, City Hall
Philadelphia

(Resolution No. 080816)

RESOLUTION

Authorizing the Committee on Commerce and Economic Development to hold hearings to review the effectiveness of the City's Job Creation Tax Credit Program.

WHEREAS, The City of Philadelphia's current tax structure presents a competitive disadvantage to the city in retaining and expanding businesses; and

WHEREAS, A rise in the City's unemployment rate reached 7.4 percent in July; and

WHEREAS, The City Controller, in his 2001 Tax Structure Analysis Report, recommended the implementation of a Job Creation Tax Credit based on the Commonwealth of Pennsylvania's existing program; and

WHEREAS, The City's Job Creation Tax Credit Program was established in May 2002, as a result of Bill # 020116 introduced by Councilman W. Wilson Goode, Jr.; and

WHEREAS, Successful applicants must agree to create at least 25 new jobs or to increase the number of employees by at least 20% within five years; and

WHEREAS, The business may then claim a tax credit against the business' total Business Privilege Tax (BPT) liability equal to $1,000 for each new job created or 2% of the amount of wages paid for each new job, whichever is higher; and

City of Philadelphia

WHEREAS, At the end of 2007, forty-one (41) businesses had signed commitment agreements to create over 3000 new jobs; now, therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That the Committee on Commerce and Economic Development is authorized to hold hearings to review the effectiveness of the City's Job Creation Tax Credit Program.

City of Philadelphia

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CERTIFICATION: This is a true and correct copy of the original Resolution, Adopted by the Council of the City of Philadelphia on the twenty-third of October , 2008.

Anna C. Verna
PRESIDENT OF THE COUNCIL

Patricia Rafferty
CHIEF CLERK OF THE COUNCIL

Introduced by: Councilmember Goode

Sponsored by: Councilmembers Goode, Reynolds Brown, Jones and DiCicco