

City of Philadelphia



(Bill No. 000336)

AN ORDINANCE

Amending Chapter 19-2600 of The Philadelphia Code, entitled "Business Privilege Taxes," by adding the definition of "information technology company" and by excluding from the definition of receipts, any receipts from the specific business conducted by an information technology company, 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 PRIVILEGE TAXES.

§19-2601. Definitions.

* * *

Information Technology Company. A person whose business is categorized as electronic data processing services (NAIC 5142 and 51421), computer systems design and related services (NAIC 5415, 54151, and 541512), custom computer programming services (NAIC 541511), computer facilities management services (NAIC 541513), and on-line information services (NAIC 514191), as set forth in the North American Industry Classification System, 1997 ("NAIC") codes established by the Office of Management and Budget, Executive Office of the President.

* * *

Receipts. Cash, credits, property of any kind or nature, received from conducting any business or by reason of any sale made, including resale 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, 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

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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 taxation of other nonpremium business receipts of persons engaged in the business of insurance. Receipts of any business shall exclude:

* * *

(11) *For the tax year 2001 through and including tax year 2006, any receipts, or a portion of receipt, from the specific business conducted by an information technology company.*

SECTION 2. Effective Date. This Ordinance shall take effect on July 1, 2000.

Explanation:

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 June 22, 2000. The Bill was Signed by the Mayor on September 14, 2000.

A handwritten signature in black ink that reads "Marie B. Hauser". The signature is written in a cursive style with a large, looped initial "M".

Marie B. Hauser
Chief Clerk of the City Council