

Legislation Details (With Text)

File #: 130487 **Version:** 0 **Name:**

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File created: 6/6/2013 **In control:** Committee on Finance

On agenda: **Final action:** 6/20/2013

Title: Amending Chapter 19-2600 of The Philadelphia Code, entitled "Business Income and Receipts Tax," by revising the alternative receipts tax computation, under certain terms and conditions.

Sponsors: Councilmember Quiñones Sánchez

Indexes: BUSINESS INCOME AND RECEIPTS TAXES

Code sections: 19-2600 - Business Income and Receipts Tax

Attachments: 1. CertifiedCopy13048700.pdf

Date	Ver.	Action By	Action	Result	Tally
6/25/2013	0	MAYOR	SIGNED		
6/20/2013	0	CITY COUNCIL	READ AND PASSED	Pass	16:0
6/13/2013	0	CITY COUNCIL	ORDERED PLACED ON THIS DAY'S FIRST READING CALENDAR		
6/13/2013	0	CITY COUNCIL	SUSPEND THE RULES OF THE COUNCIL	Pass	
6/13/2013	0	CITY COUNCIL	READ AND ORDERED PLACED ON NEXT WEEK'S SECOND READING CALENDAR		
6/12/2013	0	Committee on Finance	HEARING NOTICES SENT		
6/12/2013	0	Committee on Finance	HEARING HELD		
6/12/2013	0	Committee on Finance	REPORTED FAVORABLY, RULE SUSPENSION REQUESTED		
6/6/2013	0	CITY COUNCIL	Introduced and Referred	Pass	

Amending Chapter 19-2600 of The Philadelphia Code, entitled "Business Income and Receipts Tax," by revising the alternative receipts tax computation, under certain terms and conditions.

WHEREAS, In Bill No. 110554 (approved November 14, 2011), Council repealed the gradual reduction to zero of the gross receipts tax rate, but inadvertently failed to repeal the gradual reduction to zero of the alternative receipts tax computation; and

WHEREAS, Council now wishes to correct this oversight; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

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

CHAPTER 19-2600. BUSINESS INCOME AND RECEIPTS TAXES

* * *

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

* * *

(3) Alternative Receipts Tax Computation. A manufacturer (other than a regulated industry) shall at its option be permitted to compute the gross receipts tax on manufacturing sales at the rate shown in the following chart under the column entitled "Manufacturers", multiplied by receipts from manufacturing sales after deducting the applicable cost of goods sold as determined under the rules provided by the Federal Internal Revenue Code. A wholesaler (other than a regulated industry) shall at its option be permitted to compute the gross receipts tax on wholesale sales at the rate shown under the column entitled "Wholesalers", multiplied by receipts from wholesale sales after deducting the applicable cost of goods and the applicable cost of labor. A retailer (other than a regulated industry) shall at its option be permitted to compute the gross receipts tax on retail sales at the rate shown under the column entitled "Retailers", multiplied by receipts from retail sales after deducting the applicable cost of goods and the applicable cost of labor:

Tax year(s)	Manufacturer (%)	Wholesalers (%)	Retailers (%)
* * *	* * *	* * *	* * *
2008 [through 2013] <i>and thereafter</i>	2.34 %	3.29 %	0.78 %
[2014	2.19 %	3.08 %	0.73 %]
[2015	2.07 %	2.91 %	0.69 %]
[2016	1.82 %	2.56 %	0.61 %]
[2017	1.65 %	2.33 %	0.55 %]
[2018	1.40 %	1.98 %	0.47 %]
[2019	1.24 %	1.75 %	0.41 %]
[2020	0.83 %	1.17 %	0.27 %]
[2021	0.43%	0.59%	0.14%]
[2022 and thereafter	0.0%	0.0%	0.0%]

* * *

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.