

Legislation Text

File #: 150941, **Version:** 0

Respectfully urging Pennsylvania Governor Tom Wolf and the Leadership of the Pennsylvania House and Senate to exempt Philadelphia, a City of the First Class, from any increase in the State Sales Tax.

WHEREAS, The Pennsylvania Governor and Leadership of the Pennsylvania General Assembly are working to resolve the months-long budget impasse within a framework that would include increasing the State Sales Tax from 6 percent to 7.25 percent to raise \$2 billion; and

WHEREAS, The State already imposes an additional 2 percent sales tax on Philadelphia, and an additional 1.25 percent increase in the Sales Tax in Philadelphia to 9.25 percent; and

WHEREAS, The Sales Tax is regressive in that it collects a larger share of income from those who make less: the less someone makes, the higher portion of their income they must spend for sales-taxed items; and

WHEREAS, Of the Nation's 10 largest cities based on population, Philadelphia has the highest poverty rate (28.4 percent) and with the proposed increase in State Sales Tax Philadelphia would have the second highest Sales Tax; and

WHEREAS, The Sales Tax puts Philadelphia businesses at a competitive disadvantage with neighboring businesses in Delaware (with no Sales Tax) and New Jersey (with a Sales Tax of 7 percent); and

WHEREAS, Philadelphia is by far the largest economic generator of the Commonwealth of Pennsylvania, and a 1.25 percent sales tax increase would decrease the tax revenues for the entire state; and

WHEREAS, The citizens and businesses of Philadelphia would be unduly harmed by an additional increase in the State Sales Tax; now, therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That we hereby respectfully urge Pennsylvania Governor Tom Wolf and the Leadership of the Pennsylvania House and Senate to exempt Philadelphia, a City of the First Class, from any increase in the State Sales Tax.

RESOLVED FURTHER, That copies of this resolution be transmitted to the Philadelphia Delegations of the Pennsylvania House and Senate, with sincere appreciation for their dedicated representation and advocacy on behalf of their constituents and our City.