

## Legislation Text

**File #: 090378, Version: 0**

Amending Chapter 19-1500 of The Philadelphia Code, entitled “Wage and Net Profits Tax,” by revising tax rates for Fiscal Years 2010 and 2011, all under certain terms and conditions.

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

SECTION 1. Chapter 19-1500 of The Philadelphia Code is hereby amended as follows:

### CHAPTER 19-1500. WAGE AND NET PROFITS TAX.

\* \* \*

#### §19-1502. Imposition of Tax.

(1) Tax On Salaries, Wages, Commissions And Other Compensation.

(a) Residents. An annual tax on salaries, wages, commissions and other compensation earned by residents of Philadelphia is imposed for general revenue purposes for the following periods at the following rates:

\* \* \*

July 1, 2009 through June 30, 2010	[2.4296%] 2.565%
July 1, 2010 through June 30, 2011	[2.4280%] 2.535%
July 1, 2011 through June 30, 2012	2.3722%
July 1, 2012 through June 30, 2013	2.3578%
July 1, 2013 through June 30, 2014	2.3287%
July 1, 2014 and thereafter	2.2974%

(b) Non-Residents. An annual tax on salaries, wages, commissions and other compensation earned by non-residents of Philadelphia for work done or services performed or rendered in Philadelphia is imposed for general revenue purposes for the following periods at the following rates:

\* \* \*

July 1, 2009 through June 30, 2010	[3.4997%] 3.6296%
July 1, 2010 through June 30, 2011	[3.4985%] 3.5996%
July 1, 2011 through June 30, 2012	3.4370%

July 1, 2012 through June 30, 2013	3.4017%
July 1, 2013 through June 30, 2014	3.3855%
July 1, 2014 and thereafter	3.3546%

(c) The tax imposed under §19-1502(1) (a) and (b) shall relate to and be imposed upon salaries, wages, commissions, and other compensation paid by an employer or on his behalf to any person who is employed by or renders services to him.

(2) Tax On Net Profits Earned In Businesses, Professions Or Other Activities.

(a) Residents. An annual tax on the net profits earned in businesses, professions or other activities conducted by residents of Philadelphia is imposed for general revenue purposes for the following periods at the following rates:

\* \* \*

July 1, 2009 through June 30, 2010	[2.4296%] 2.565%
July 1, 2010 through June 30, 2011	[2.4280%] 2.535%
July 1, 2011 through June 30, 2012	2.3722%
July 1, 2012 through June 30, 2013	2.3578%
July 1, 2013 through June 30, 2014	2.3287%
July 1, 2014 and thereafter	2.2974%

(b) An annual tax on the net profits earned in businesses, professions or other activities conducted in Philadelphia by non-residents is imposed for general revenue purposes for the following periods at the following rates:

\* \* \*

July 1, 2009 through June 30, 2010	[3.4997%] 3.6296%
July 1, 2010 through June 30, 2011	[3.4985%] 3.5996%
July 1, 2011 through June 30, 2012	3.4370%
July 1, 2012 through June 30, 2013	3.4017%
July 1, 2013 through June 30, 2014	3.3855%
July 1, 2014 and thereafter	3.3546%

\* \* \*

SECTION 2. Effective Date.

(a) Subject to the provisions of subsection 2(b), this Ordinance shall take effect when the City Solicitor files written certification with the Chief Clerk that: (i) the Pennsylvania Intergovernmental Cooperation Authority (“PICA”) has made the certification required by Section 703(c)(2) of the Taxpayer Relief Act, Act No. 1 of 2006 (Special Session No. 1), P.L. 1873 (the “Act”); and (ii) the Director of Finance has made either the certification required by Section 703(c)(3)(i) of the Act or the attestation required by Section 703(c)(3)(ii) of the Act.

(b) If the City Solicitor has not filed written certification pursuant to subsection 2(a) before November 1, 2009, then the City Solicitor shall on November 1, 2009 file with the Chief Clerk either: (i) the written certification required by subsection 2(a), in which case this Ordinance shall take effect upon such date; or (ii) a statement that the City Solicitor is unable to provide such written certification because either PICA and/or the Director of Finance have not made the required certification(s) and/or attestation, in which case this Ordinance shall not take effect.

(c) If this Ordinance takes effect pursuant to either Section 2(a) or Section 2(b), then the rates for the Wage and Net Profits Tax set forth in this Ordinance shall apply as of July 1, 2009.