

Legislation Text

File #: 190746, **Version:** 0

Amending Section 19-1508 of The Philadelphia Code, entitled "Refunds and Forgiveness for Poverty Income," to revise the tax rate, under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 19-1508 of The Philadelphia Code is hereby amended to read as follows:

§ 19-1508. Refunds and Forgiveness for Poverty Income.

(1) *Low Income Residents.*

(a) Beginning with the calendar year January 1, 2015 through December 31, 2015, and for each calendar year [thereafter,] *through December 31, 2019*, the rate of tax imposed on Low Income Residents under § 19-1502(1)(a) and (2)(a) shall be one half of one percent (0.5%) less than the rate of tax imposed upon Residents during such periods.

(b) *Beginning January 1, 2020, the rate of tax imposed on Low Income Residents under § 19-1502(1)(a) (tax on salaries, wages, etc.) shall be as follows:*

(.1) *From January 1, 2020, through June 30, 2020: 1.8712%.*

(.2) *For the fiscal year July 1, 2020, through June 30, 2021, and thereafter: zero.*

(c) *Beginning January 1, 2020, the rate of tax imposed on Low Income Residents under § 19-1502(2)(a) (tax on net profits) shall be as follows:*

(.1) *For the calendar year January 1, 2020, through December 31, 2020, and thereafter: zero.*

(2) *Low Income Non-Residents.*

(a) Beginning with the calendar year January 1, 2015 through December 31, 2015, and for each calendar year [thereafter,] *through December 31, 2019*, the rate of tax imposed on Low Income Non-Residents under § 19-1502(1)(b) and (2)(b) shall be one half of one percent (0.5%) less than the rate of tax imposed upon Non-Residents during such periods.

(b) *Beginning January 1, 2020, the rate of tax imposed on Low Income Non-Residents under § 19-1502(1)(b) (tax on salaries, wages, etc.) shall be as follows:*

(.1) From January 1, 2020, through June 30, 2020: 2.9481%.

(.2) For the fiscal year July 1, 2020, through June 30, 2021, and thereafter: 1.50%; provided that, this rate shall be reduced to zero when the tax imposed pursuant to Chapter 19-2800 (“Pennsylvania Intergovernmental Cooperation Authority Tax on Wages and Net Profits”) expires.

(c) Beginning January 1, 2020, the rate of tax imposed on Low Income Non-Residents under § 19-1502(2)(b) (tax on net profits) shall be as follows:

(.1) For the calendar year January 1, 2020, through December 31, 2020, and thereafter: 1.50%; provided that, this rate shall be reduced to zero when the tax imposed pursuant to Chapter 19-2800 (“Pennsylvania Intergovernmental Cooperation Authority Tax on Wages and Net Profits”) expires.

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.