

Legislation Text

File #: 100781, **Version:** 0

Authorizing the City to enter into an interagency agreement with the Commonwealth of Pennsylvania for a period of years for the Commonwealth to add City and School District taxes to the Commonwealth's on-line system for the electronic filing and payment of taxes, under certain terms and conditions.

WHEREAS, The electronic filing of tax returns and payment of tax liabilities by many taxpayers would enable the City to process returns and collect and apply tax payments more quickly and accurately, saving money and increasing compliance; and

WHEREAS, The Commonwealth of Pennsylvania Department of Revenue has an existing, reliable system, called E-Tides, on which certain taxpayers are permitted or in some instances required to file and pay taxes electronically; and

WHEREAS, The Commonwealth Department of Revenue has offered to enter into an interagency agreement with the City to add certain City and School District taxes to E-Tides, charging the City only the Commonwealth's cost; and

WHEREAS, The City has determined that it will be less expensive and will take less time to have the Commonwealth add City taxes to E-Tides than for the City to construct a system itself or to outsource such a system to a private contractor; and

WHEREAS, A multi-year agreement is desirable because of the costs of changing systems once in place; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The City Department of Revenue is hereby authorized to enter into an interagency agreement with the Commonwealth of Pennsylvania Department of Revenue to add certain City and School District taxes to the Commonwealth's E-Tides system for the electronic filing and remittance of taxes; permitting the City to cause additional taxes to be added to E-Tides; and requiring the Commonwealth to maintain the system for the City's benefit, in each case with the City reimbursing the Commonwealth for its costs.

SECTION 2. The term of the agreement shall be for a period of time not to exceed ten (10) years; shall not require the City to pay more than seven hundred fifty thousand dollars (\$750,000) during the term for system construction, or more than sixteen thousand two hundred eighty seven dollars (\$16,287) per year for system maintenance, subject to an annual increase in system maintenance costs not to exceed three percent (3%); and shall include a clause reserving to the City the right to terminate the agreement at the option of the City at any time after the expiration of four years without liability for damages or loss of profits that would have been realized had the agreement not been terminated.

SECTION 3. The Department shall include in the agreement such other terms, not inconsistent with this Ordinance, as the City Solicitor may determine are in the interests of the City.

