

## Legislation Details (With Text)

<b>File #:</b>	220657	<b>Version:</b>	0	<b>Name:</b>	
<b>Type:</b>	Bill	<b>Status:</b>		IN COMMITTEE	
<b>File created:</b>	9/15/2022	<b>In control:</b>		Committee on Finance	
<b>On agenda:</b>		<b>Final action:</b>			
<b>Title:</b>	Amending Chapter 19-1300 of The Philadelphia Code, entitled "Real Estate Taxes," and Chapter 19-1500, entitled "Wage and Net Profits Tax," by providing for tax credits for volunteer community service; and adding a new Chapter 19-4600, providing for eligibility criteria; all under certain terms and conditions.				
<b>Sponsors:</b>	Council President Clarke, Councilmember Jones, Councilmember Johnson, Councilmember Bass, Councilmember Squilla, Councilmember Thomas				
<b>Indexes:</b>	REAL ESTATE TAX, WAGE AND NET PROFITS TAX				
<b>Code sections:</b>	19-1300 - Real Estate Taxes, 19-1500 - Wage and Net Profits Tax				
<b>Attachments:</b>	1. Bill No. 22065700.pdf				

Date	Ver.	Action By	Action	Result	Tally
9/15/2022	0	CITY COUNCIL	Introduced and Referred		

Amending Chapter 19-1300 of The Philadelphia Code, entitled "Real Estate Taxes," and Chapter 19-1500, entitled "Wage and Net Profits Tax," by providing for tax credits for volunteer community service; and adding a new Chapter 19-4600, providing for eligibility criteria; all under certain terms and conditions.

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

SECTION 1. Chapter 19-1300 of The Philadelphia Code is hereby amended as follows:

### CHAPTER 19-1300. REAL ESTATE TAXES.

\* \* \*

#### *§ 19-1310. Tax Credit for Volunteer Community Service*

*(1) A credit against real estate tax liability shall be available for owner-occupied residential property upon the performance by the owner-occupant of eligible volunteer community service during the calendar year prior to the tax becoming due.*

*(2) Eligibility criteria for the credit are set forth at Chapter 19-4600 ("Tax Credits for Volunteer Community Service").*

*(3) The credit shall not be available for any tax year in which the property is not current with respect to City real estate tax liability and not subject to and in compliance with a payment plan; and shall not carry over to subsequent years.*

*(4) Amount of credit. The credit shall be calculated by multiplying the number of certified hours of volunteer service during the calendar year by five (5) dollars. The maximum credit that shall be available with respect to any property shall be the lesser of one thousand dollars (\$1,000) or the annual City real estate tax liability for the property.*

SECTION 2. Chapter 19-1500 of The Philadelphia Code is hereby amended as follows:

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

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##### *§ 19-1510. Tax Credit for Volunteer Community Service*

*(1) A credit against wage and net profits tax liability shall be available upon the performance by the taxpayer of eligible volunteer community service during the calendar year prior to the tax becoming due.*

*(2) Eligibility criteria for the credit are set forth at Chapter 19-4600 (“Tax Credits for Volunteer Community Service”).*

*(3) The credit shall not be available for any tax year in which the taxpayer is not current with respect to wage and net profits tax liability and not subject to and in compliance with a payment plan; and shall not carry over to subsequent years.*

*(4) Amount of credit. The credit shall be calculated by multiplying the number of certified hours of volunteer service during the calendar year by five (5) dollars. The maximum credit that shall be available for any taxpayer shall be the lesser of one thousand dollars (\$1,000) or the taxpayer’s wage and net profits tax liability for the year.*

SECTION 3. Title 19 of The Philadelphia Code is hereby amended as follows:

#### TITLE 19. FINANCE, TAXES AND COLLECTIONS

\* \* \*

#### CHAPTER 19-4600. TAX CREDITS FOR VOLUNTEER COMMUNITY SERVICE

*§ 19-4601. Tax credits for eligible volunteer community service, as provided for by § 19-1310 (credit against City real estate tax) and § 19-1510 (credit against wage and net profits tax), are subject to the provisions of this Chapter.*

##### *§ 19-4602. Eligibility.*

*(1) Eligible volunteer community service shall mean service for which the person performing the service receives no compensation; which benefits in a meaningful manner City residents in need or City communities in need; which is performed under the direction and on behalf of a purely public charity or government agency; and which meets such additional criteria as the Revenue Commissioner shall establish for the purpose of promoting charitable community service.*

*(2) The Revenue Commissioner shall determine eligibility criteria based on consultations with such City*

*officials as the Commissioner deems appropriate, which may include the Mayor's Chief Education Officer; the Deputy Managing Director for Strategic Initiatives, Public Safety & Criminal Justice; the Deputy Managing Director for Health and Human Services; the Director of the Office of Arts, Culture and the Creative Economy; the Commissioner of Parks and Recreation; the Director of the Free Library; the Deputy Managing Director for Community Services; or comparable City officials.*

*(3) The Revenue Commissioner shall establish application procedures and certification criteria, which may include certification by a purely public charity or government agency of the number of hours the claimed work was actually performed.*

*(4) No taxpayer shall claim or receive in any tax year a credit against both wage and net profits tax and real estate tax. A taxpayer may elect which credit to claim in any tax year.*

SECTION 4. This Ordinance shall be effective with respect to taxes that are due and payable on or after January 1, 2024; except that the Revenue Commissioner may promulgate any implementing regulations or guidance prior thereto.