



Legislation Text

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Amending Chapter 19-2600 of The Philadelphia Code, entitled "Business Privilege Taxes," by establishing a program under which a Job Creation Tax Credit will be given to certain businesses creating new jobs in the City of Philadelphia; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Legislative Findings.

- A. The City of Philadelphia has been losing jobs for several decades. It is therefore vitally important that the City position itself to attract employers in order to compete in the national economy and stimulate the economy of the City of Philadelphia and the region as a whole. An increase in jobs will have a ripple effect, positively impacting the real estate market, the retail and hospitality sectors and even the industrial economy of the greater Philadelphia area and Pennsylvania. An increase in the number of jobs in the City of Philadelphia can significantly improve the economy and quality of life of the entire City of Philadelphia and surrounding region.
- B. The Philadelphia region is faced with the challenge of competing in a global, increasingly knowledge-based economy. Preserving the character of the City and its surrounding counties is integral to maintaining the region's uniqueness and attractiveness as a tourist destination. Therefore, the economic growth necessary to maintain the region's vitality must be first directed towards the City, which has the resources and infrastructure appropriate for sustaining that development.
- C. With excellent highway and transit access the City of Philadelphia is extraordinarily well positioned to attract and retain the jobs necessary for revitalizing the Philadelphia regional economy and creating jobs for residents of city neighborhoods.

SECTION 2. Chapter 19-2600 of The Philadelphia Code is hereby amended to read as follows:

CHAPTER 19-2600. BUSINESS PRIVILEGE TAXES

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§19-2604. Tax Rates, Credits, and Alternative Tax Computation.

* * *

(7) Credit for New Job Creation.

* * *

(d) Tax Credits.

(1) Maximum Amount. A business may claim a tax credit [of]
in an amount equal to two percent of the annual wages paid for each new job, or \$1,000 per new job created, whichever is higher, up to the maximum job creation amount specified in the commitment letter. The Department shall establish by regulation a methodology by which the annual wages paid by each new job are to be determined.

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Explanation:

[Brackets] indicate matter deleted

Italics indicate new matter added