

Legislation Text

File #: 110388, Version: 0

Amending Section 19-1806 of The Philadelphia Code, entitled “Authorization of Realty Use and Occupancy Taxes,” and Chapter 19-2600 of The Philadelphia Code, entitled “Business Privilege Taxes,” to provide for credit or abatement of certain taxes for new Small Business Enterprises, under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 19-1806 of The Philadelphia Code is amended to read as follows:

§ 19-1806. Authorization of Realty Use and Occupancy Tax.

* * *

(6) New Small Business Enterprise Tax Credit. A taxpayer that is a Small Business Enterprise as defined under Section 17-1501(9) shall be entitled, for the first three (3) years it is liable for payment of tax under this Section, to a non-refundable credit against its taxes under this Section equal to _____ per cent of its taxes otherwise owing under this Section with respect to any property located in the following areas of the City, which areas Council finds to be in need of tax incentives in order to promote revitalization:

(a) _____.

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

CHAPTER 19-2600. BUSINESS PRIVILEGE TAXES.

* * *

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

* * *

(12) New Business Tax Credit.

(a) A taxpayer that is a Small Business Enterprise as defined under Section 17-1501(9) with business operations physically located in the City shall be entitled, for the first three (3) years such operations are physically located in the City, to a non-refundable credit against its taxes under this Chapter equal to _____ per cent of its taxes otherwise owing under this Chapter on any income or receipts arising directly out of business operations located in the areas of the City designated in subsection (b), below. The Department shall promulgate regulations to establish appropriate methods of allocation of income and receipts to determine the amount of income or receipts arising directly out of operations located in the designated areas.

(b) The credit provided for in subsection (a), above, shall be calculated based on taxes owing on income or receipts arising directly out of business operations located in the following areas of the City, which areas Council finds to be in need of tax incentives in order to promote revitalization:

(.1) _____.

SECTION 3. This Ordinance shall take effect January 1, 2012.

Explanation:

Italics indicate new matter added.