

Legislation Text

File #: 180940-A, **Version:** 2

Amending Chapter 19-2600 of The Philadelphia Code, entitled “Business Income and Receipts Taxes,” to modify application requirements for commercial activity licenses; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 19-2600 of The Philadelphia Code, entitled “Business Income and Receipts Taxes,” is hereby amended as follows:

* * *

CHAPTER 19-2600. BUSINESS INCOME AND RECEIPTS TAXES

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§ 19-2601. Definitions.

In addition to the definitions provided in the Act of May 30, 1984, P.L. 345, No. 69, known as the First Class City Business Tax Reform Act, and Chapter 19-500 of this Title, the following definitions shall apply:

* * *

Equity Interest. A legal or equitable ownership interest in a property or business, however designated, including, but not limited to, capital stock, partnership interests, or membership interests.

* * *

§ 19-2602. Licenses.

(1) Every person desiring to engage in or to continue to engage in any business within the City of Philadelphia shall, whether or not such person maintains a place of business in the City, prior to engaging in such business, procure a commercial activity license from the Department of Licenses and Inspections. A person exclusively engaged in a hobby or other not-for-profit activity, excluded from the definition of business set forth in § 19-2601, shall not be required to procure or maintain a commercial activity license.

* * *

(3) *Ownership Information.*

(a) If the person required to procure a license under this Section 19-2602 is not a natural person or a publicly traded corporation, then such person shall submit as part of the application the name and

preferred mailing address of each natural person who has an equity interest in such applicant that exceeds one or more of the following, regardless of whether the natural person has a direct equity interest or such natural person's equity interest is held through one or more tiers of a corporate structure, such as parent-subsidary structure: (a) forty-nine percent (49%) of the value of such applicant, or (b) forty-nine percent (49%) of the value of the owner of such applicant. If no natural person has such an interest, the application shall identify the name and preferred mailing address of the two natural persons who have the largest equity interest in such applicant.

(b) Applicants shall have an ongoing obligation to provide accurate and up to date information, and to correct inaccurate information. An applicant shall notify the Department of any changes to the information set forth in an application submitted pursuant to Section 19-2602(3) within ten (10) business days of such change, provided that the Department may rely on the accuracy of the current application on file at a given date.

*[(3)] (3.1) * * **

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(7) Other Penalties. Knowingly providing false or misleading information regarding those natural persons having an ownership or other equity interest in a property or owner, shall be a Class III offense, and the negligent provision of such false or misleading information shall be a Class II offense. Each day of violation shall constitute a separate offense.

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SECTION 2. This Ordinance shall be effective July 1, 2020.

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.