



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 251026

Introduced November 20, 2025

Councilmember Driscoll

**Referred to the
Committee on Finance**

AN ORDINANCE

Amending Chapter 19-2600 of The Philadelphia Code (“Business Income and Receipts Taxes”) to exempt sole proprietorships and single-member limited liability companies from some or all of the Business Income and Receipts Tax, under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Title 19 of The Philadelphia Code is hereby amended to read as follows:

TITLE 19. FINANCE, TAXES AND COLLECTIONS

* * *

CHAPTER 19-2600. BUSINESS INCOME AND RECEIPTS TAXES

§ 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:

* * *

Business. Carrying on or exercising for gain or profit within a city of the first class, any trade, business, including financial business as hereinafter defined, profession, vocation or commercial activity, including the partial or complete liquidation or sale of business assets, or making sales to persons within such city of the first class. “Business” shall not include the following:

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* * *

(8) For tax year 2026 and thereafter, any business conducted by an entity owned and operated as a sole proprietorship by an individual or by a single-member limited liability company whose sole member is an individual.

* * *

Individual. A natural person.

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SECTION 2. This Ordinance shall be effective July 1, 2026.

Explanation: [Brackets] indicate matter deleted.

Italics indicate new matter added.