

# City of Philadelphia



(Bill No. 040313)

## AN ORDINANCE

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

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

SECTION 1. Chapter 19-2600 of The Philadelphia Code is hereby amended to read as follows:

CHAPTER 19-2600. BUSINESS PRIVILEGE TAXES

\* \* \*

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

\* \* \*

(7) Credit for New Job Creation[; Pilot Program].

(a) Definitions. For purposes of this subsection, the following definitions shall apply.

(3) New Job. A full-time job, the average hourly rate, excluding benefits, for which must be at least 150% of the federal minimum wage, created within the City and County of Philadelphia by a company within five (5) years from the start date. *Employment opportunities for ex-offenders must be contracted for a minimum period of at least 180 days.*

(10) Ex-offender. *A person previously convicted of a felony, or who was incarcerated for any conviction, or who is currently on probation or parole for any conviction.*

\* \* \*

(d) Tax credits.

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\* \* \*

(5) Maximum. The total amount of all tax credits available in *any* year [one] for commitment under subsection (7)(c)(3) shall not exceed 1% of all revenues collected by the City through the gross receipts and net income components of the business privilege tax during the previous tax year.

(e) Prohibitions.

(2) Allocations. Twenty-five percent of all tax credits available in any year under section subsection (7)(d)(5) shall be available for commitment under subsection (7)(c)(3) to businesses with fewer than 25 employees *or to create employment opportunities for ex-offenders*.

(g) The Department of Revenue shall by December 31 of each year submit a written report to the Mayor, with a copy to the President and Chief Clerk of Council, summarizing the City's experience during the prior year with the tax credit provided under this Section[, and containing any recommendations as to continuation or modification of the pilot tax credit program established by this Section ].

\* \* \*

SECTION 2. This Ordinance shall take effect immediately.

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**Explanation:**

[Brackets] indicate matter deleted.  
*Italics* indicate new matter added.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on May 31, 2004. The Bill was Signed by the Mayor on June 10, 2004.



Patricia Rafferty  
Chief Clerk of the City Council