

City of Philadelphia



(Bill No. 090119-A)

AN ORDINANCE

Amending Chapter 19-2600 of The Philadelphia Code, entitled “Business Privilege Taxes,” by adding the definition of “certified sustainable business” and by excluding from the definition of receipts, any receipts from the specific business conducted by certain certified sustainable businesses, 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.

* * *

(13) *Sustainable Business Tax Credit.*

(a) *Definitions.*

(i) *B Lab. B Lab Company, a Pennsylvania non-profit corporation.*

(ii) *Sustainable Business. A business that meets the standards of a B Lab certified “B corporation” as are in effect on November 15, 2009, or as may be in effect on a later date if the Office of Sustainability determines, by regulation, that such later effective standards appropriately provide for a determination that a business is sustainable and a responsible member of the community.*

(iii) *Office of Sustainability. The Mayor’s Office of Sustainability, or such other Office as the Mayor may designate to perform the functions assigned by this Section.*

(b) *Eligibility.*

(i) *To be eligible to receive Sustainable Business Tax Credits, a business must be certified as a Sustainable Business by the Office of Sustainability. The*

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Office of Sustainability shall by regulation detail how a business must demonstrate the fact that it is a Sustainable Business. Such regulations shall provide that certification as a “B corporation” shall be prima facie evidence that the business is a Sustainable Business, and may include a list of certifications provided by other rating organizations that will be accepted in lieu of a “B corporation” certification as prima facie evidence that a business is a Sustainable Business.

(ii) No more than twenty-five (25) businesses shall be certified as Sustainable Businesses with respect to any one tax year. The Office of Sustainability shall provide application forms for businesses seeking certification, and it shall certify applicants on a “first come-first served” basis, randomly choosing, when necessary, among applicants that apply on the same date.

(iii) Once certified, a business shall remain eligible to receive Sustainable Business Tax Credits each year that such tax credits are available, provided that the Office of Sustainability may by regulation require an eligible business to submit documentation each year that it continues to be a Sustainable Business.

(c) Tax Credits.

(i) For tax years 2012 through 2017, an eligible business shall receive a tax credit of \$4,000, which may only be used against the tax based upon annual receipts. Any unused tax credits may not be carried forward.

(ii) The Department of Revenue may by regulation detail the documentation that a business must submit with its tax return to support the tax credits provided by this subsection.

(d) Reporting.

(i) 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 tax year with the Sustainable Business Tax Credit. The first such report shall be submitted by December 31, 2013.

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SECTION 2. Effective Date. This Ordinance shall take effect immediately upon becoming law.

Explanation:

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 December 3, 2009. The Bill was Signed by the Mayor on December 16, 2009.



Michael A. Decker
Chief Clerk of the City Council