

City of Philadelphia



(Bill No. 180261-A)

AN ORDINANCE

Amending subsection 19-2604(6) of The Philadelphia Code, under which businesses may enter into agreements to make contributions to community development corporations and certain other organizations to receive credits against business income and receipts taxes, by increasing the number of businesses for which the credit shall be made available to, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 19-2604 of The Philadelphia Code is hereby amended to read as follows:

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

* * *

6) Credit for Contributions to Community Development Corporations, Nonprofit Organizations Engaged in Developing and Implementing Healthy Food Initiatives and Nonprofit Intermediaries.

* * *

(c) Subject to the provisions of subsection (6)(f), the tax credit under this subsection (6) shall be available to up to [forty (40)] *forty-five (45)* businesses, with respect to contributions to Qualifying CDCs or Qualifying Nonprofit Intermediaries, and up to two (2) businesses, with respect to contributions to Qualifying Nonprofit Organizations Engaged in Developing and Implementing Healthy Food Initiatives, that enter into a contribution agreement with the City under which the business agrees to contribute \$100,000 in cash per year for ten consecutive years to a Qualifying Organization designated by the business. No tax credit shall be given for any contributions made by a business to a Qualifying Organization other than pursuant to a contribution agreement with the City executed under the terms and conditions of this subsection (6).

* * *

(d) The Revenue Department shall provide application forms for businesses that wish to apply for tax credits under this Section, and it shall enter into contribution

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agreements under this Section with up to [forty (40)] *forty-five (45)* applicants, with respect to contributions to Qualifying CDCs or Qualifying Nonprofit Intermediaries, and up to two (2) applicants, with respect to contributions to Qualifying Nonprofit Organizations Engaged in Developing and Implementing Healthy Food Initiatives, on a "first come-first served" basis. The Revenue Department shall when necessary randomly choose among applicants that apply on the same date.

* * *

(h) Notwithstanding the provisions of subsections (c) and (d), above, the Department shall not enter into more than forty (40) contribution agreements for any tax year commencing January 1, 2019, or thereafter, provided that, by January 1 of such tax year, the Director of Commerce shall have filed a certification with the Department of Revenue and the Chief Clerk of Council certifying that the Director has in place for the fiscal year ending in such tax year a grant program that makes available to Qualifying Organizations, subject to reasonable qualifying criteria established by the Director of Commerce, an amount at least equal to \$500,000.

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SECTION 2. Effective Date. This Ordinance shall take effect beginning with Tax Year 2019.

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 June 21, 2018. The Bill was Signed by the Mayor on August 22, 2018.



Michael A. Decker
Chief Clerk of the City Council