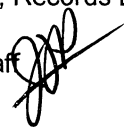




MEMORANDUM

To: Jeanne Reedy, Administrative Services Director, Records Department

From: Joseph F. Procopio Jr., Manager - Technical Staff 

Date: August 6, 2015

Re: **Advertisement of Proposed Regulations – Business Income and Receipts Tax – Section 502 – Job Creation Tax Credit – Definitions – “New Job”**

Attached is an amendment to Section 502 of the Department of Revenue’s Business Income and Receipts Tax regulations. The purpose of this amendment is to amend the definition of “*New Job*” to exclude from the definition any job that by virtue of a merger, acquisition, reorganization or any other change in ownership or entity is transferred from a business entity (that had previously filed a BIRT return as required by Chapter 19-2600 of the Code) to a successor business entity. The amendment also excludes from the definition a job or position that belongs to a business entity that had previously terminated their business activity in Philadelphia and subsequently restarts their activity in Philadelphia within five (5) years of the original termination date. This amendment is effective for applications received by the Revenue Department on or after September 15, 2015.

Please proceed to advertise, in accordance with the provisions of Section 8-407(b) of the Philadelphia Home Rule Charter, the attached Regulations.

DEPARTMENT OF RECORDS

2015 AUG -6 PM 12:15

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CITY OF PHILADELPHIA
LAW DEPARTMENT

MEMORANDUM

TO: Clarena I.W. Tolson, Revenue Commissioner

CC: Tilahun Afessa, Director of Policy
Joseph F. Procopio, Jr., Manager – Technical Staff

FROM: Frances Ruml Beckley, Senior Attorney *FMS*

DATE: August 4, 2015

SUBJECT: Promulgation by the Department of Revenue of Business Income and Receipts Tax Regulations – Job Creation Tax Credit – Definition of “New Job”

I have reviewed the attached promulgation amendments to the Department of Revenue's Business Income and Receipts Tax Regulations, dated August 4, 2015. I find the attached amended regulations to be legal and in proper form. In accordance with Section 8-407(a) of The Philadelphia Home Rule Charter, you may now forward these amended regulations to the Department of Records where they will be made available for public inspection.

DEPARTMENT OF REVENUE
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Frances Ruml Beckley
Frances Ruml Beckley
Senior Attorney, Legislation and Appeals

This is an amendment to the Business Income and Receipts Tax Regulations Section 502. *Job Creation Tax Credit* to amend the definition of "New Job" to exclude from the definition any job that by virtue of a merger, acquisition, reorganization or any other change in ownership or entity is transferred from a business entity (that had previously filed a BIRT return as required by Chapter 19-2600 of the Code) to a successor business entity. The amendment also excludes from the definition a job or position that belongs to a business entity that had previously terminated their business activity in Philadelphia and subsequently restarts their activity in Philadelphia within five (5) years of the original termination date. This amendment is effective for applications received by the Revenue Department on or after September 15, 2015.

DEPARTMENT OF RECORDS
2015 AUG -6 PM 12:15

CITY OF PHILADELPHIA
BUSINESS INCOME AND RECEIPTS TAX REGULATIONS

ARTICLE V
CREDITS

SECTION 502. JOB CREATION TAX CREDIT

A) Definition

8. **887725** New Job. A full time job created by a company within the City and County of Philadelphia within five (5) years from the Start Date, the average hourly rate, excluding benefits, ~~or~~ which must be equal to at least the higher of:

(i) 150% of the federal minimum wage or, for any jobs created beginning January 1, 2015,

(ii) \$12.00 multiplied by the CPI Multiplier. The CPI Multiplier shall be calculated annually by the Director of Finance, for wages to be provided on and after January 1 of each year by dividing the most recently published Consumer Price Index for all Urban Consumers (CPI-U) All Items Index, Philadelphia, Pennsylvania, by the most recently published CPI-U as of January 1, 2015.

For any Application for Job Creation Tax Credit filed with the Department on or after September 15, 2015, the term "New Job" does not include any job that by virtue of a merger, acquisition, reorganization or any other change in ownership or entity is transferred from a business entity (that had previously filed a BIRT return as required by Chapter 19-2600 of the Code) to a successor business entity. The term will also not include any job or position that belonged to a business entity that had previously terminated their business activity in Philadelphia and subsequently restarts business activity in Philadelphia within five years of the original business termination date.

Employment opportunities for Returning Citizens must be contracted for a minimum period of at least 180 days.

DEPARTMENT OF RECORDS

2015 AUG -6 PM 12: 16

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_____ **Underlined and Bold denotes matters added**



Commissioner Clarena I. W. Tolson
Chief Revenue Collections Officer

Date: 8/4/15