

# City of Philadelphia Department of Revenue

FOR DEPARTMENT USE ONLY	
Application No.	_____
Date Received	_____
Time Received	_____

## APPLICATION FOR JOB CREATION TAX CREDIT (SECTION 19-2604 OF THE PHILADELPHIA CODE)

1. Applicant's Name

2. Business Address

3. Philadelphia Address (If different from Business Address)

4. Contact Person (**PLEASE PRINT**)

5. Telephone Number

6. Federal Employee Identification  
Number/Social Security Number

7. Philadelphia Business Account Number

8. Date Business Began in Philadelphia

9. Desired Start Date for New Jobs in Philadelphia

10. Type of Business

Retail

Manufacture

Wholesale

Service

11. Number of New Jobs to be Created in Philadelphia

12. Current Number of Employees:

Philadelphia

Worldwide

13. Gross Receipts for the Most Current Four Years

YEAR

RECEIPTS

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

14. Net Income for the Most Current Four Years

YEAR

RECEIPTS

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

\_\_\_\_\_ \$ \_\_\_\_\_

15. Type of Entity

Sole Proprietorship

S Corporation

Partnership

C Corporation

Other



# City of Philadelphia

## Department of Revenue

**Certification:** To be signed by an authorized company representative.

I hereby certify that all information contained in this document and attachments are true and correct to the best of my knowledge.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Representing: \_\_\_\_\_

Address: \_\_\_\_\_

**Mail Completed Application To:**

**Revenue Commissioner  
City of Philadelphia  
Municipal Services Building – Room 630  
1401 John F. Kennedy Boulevard  
Philadelphia, PA 19102**

**Attachment A: Employment Affidavit**

Applicants for Job Creation Tax Credits are required to complete and sign this affidavit.

Indicate below the number of full-time employees for each item requested. Begin with the desired start date and work backward three years. Do not go by the calendar year. Also include the average hourly wage to be paid to the new hires, excluding benefits.

This affidavit will be reviewed to determine the base employment. The employment numbers provided will be averaged. The higher of the averaged number of the employment at the time of the start date will result in the base employment. Businesses must either create 25 new full-time jobs in Philadelphia or increase the base employment by 20% within Philadelphia to qualify for Job Creation Tax Credits.

	<b>All Jobs</b>	<b>Jobs paying more than 150% of Federal minimum wage</b>
Employment at the time of the start date:	_____	_____
Employment 1 year prior to the start date:	_____	_____
Employment 2 years prior to the start date:	_____	_____
Employment 3 years prior to the start date:	_____	_____
Average hourly wage to be paid to new employees, excluding benefits:		\$ _____ /hour

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Under penalties of perjury, I declare that I have compiled the information contained in this schedule, and to the best of my knowledge and belief, it is true, correct and complete.

\_\_\_\_\_  
Preparer's Name

\_\_\_\_\_  
Preparer's Title

\_\_\_\_\_  
Preparer's Signature

\_\_\_\_\_  
Date

## Section I – General

### A. Introduction

- (1) The Job Creation Tax Credit program was established for the purpose of securing job creating economic development opportunities through the expansion of existing businesses and the attraction of economic development prospects for the City of Philadelphia.
- (2) The Job Creation Tax Credit program is available to eligible businesses that, within five years from a negotiated start date, create twenty-five (25) or more jobs or increase employment by 20%. Every new full-time job, up to a set maximum, which meets certain minimum wage standards, will result in a \$1,000 tax credit that the business can use to pay its Business Privilege Tax. The business may claim these credits only after the jobs are created. A minimum of 25% of all tax credits available to be awarded each year will be allocated to businesses that employ twenty-five (25) or fewer employees.

### B. Eligibility

In order to be eligible to receive Job Creation Tax Credits, a business must demonstrate the following:

- (1) The ability to create the number of jobs required by the Revenue Department within five (5) years from the start date.
- (2) The financial stability of the business and the projects financial viability.
- (3) The intent to maintain operations in the City of Philadelphia for a period of five (5) years from the date the company first submits a Job Creation Tax Credit Certificate to the Department of Revenue.
- (4) An **affirmation** that the decision to expand or locate in the City of Philadelphia was due in large part to the availability of a Job Creation Tax Credit program.

### C. Program Requirements

- (1) The business must agree to create within Philadelphia at least twenty-five (25) new full time jobs or to increase its number of full time employees by at least twenty percent (20%) within five (5) years of the start date.
- (2) The business must agree to maintain its operation in Philadelphia for a period of five (5) years from the date the company first submits its Tax Credit Certificate to the Department of Revenue.
- (3) The start date will be the first day of the calendar quarter in which an application is submitted, unless the company request and the Department of Revenue agrees to a later start date.

## Section II – The Application Process

### A. Application Submission and Approval Procedure

- (1) The completed application should be returned to the Department of Revenue at the address listed on the application.
- (2) In addition to application, please include a narrative to address the following items:**
  - i. Provide a description of the investment (including amount) that the business will undertake in order to create the new jobs for which tax credits are being requested.
  - ii. Provide financial Statements (i.e. Income Statement, Balance Sheet, Cash Flow) for the last three years.
  - iii. Indicate the desired start date for creating new jobs that may be eligible for tax credits. The start date must be the first day of a calendar quarter in which the application is submitted unless the applicant requests and the Department of Revenue agrees to a later start date.

- iv. Provide an affirmation that the decision to expand or locate in the City of Philadelphia was due in large part to the availability of a Job Creation Tax Credit.
  - v. Include the Employment Affidavit (Attachment A), completed and signed, attesting to the employment numbers for the last three years.
- (3) Upon approval of an application, the Department of Revenue will issue a commitment letter containing the following information:
- A description of the project.
  - The number of new jobs to be created by the business within specified period of time.
  - The amount of private capital investment in the project.
  - The maximum Job Creation Tax Credit amount the business may claim, and the period of time over which it may be claimed.
  - A signed statement that the business intends to maintain its operation in the City of Philadelphia for five (5) years from the date the business first submits its Tax Credit Certificate to the Department of Revenue.
- (4) Upon acceptance of the conditions listed in the commitment letter, the business must sign the letter and return it to the Department of Revenue within 30 days of the date of the letter.

### Section III – Limitations

- A. At least 25% of all the credits approved shall be available to businesses with twenty-five (25) employees or less.
- B. A business will not receive tax credits for jobs created prior to the start date.
- C. A business may not receive tax credits for relocating operations from a location in Philadelphia to another location in Philadelphia.
- D. The use of the credits may not be transferred to any other business or subsidiary of the business awarded tax credits.
- E. Tax credits may not be converted to cash.
- F. No business may claim or receive a tax credit unless the business is in full compliance with all Philadelphia tax laws, ordinances and regulations.

### Section IV – Penalties

- A. **Failure to maintain operations.** An applicant that receives Job Creation Tax Credits and fails to substantially maintain existing operations and the operations related to the Job Creation tax Credits in the City of Philadelphia for a period of five (5) years from the date the Applicant first submits a Tax Credit Certificate to the Department shall be required to refund to the City of Philadelphia the total amount of credit or credits granted.
- B. **Failure to create New Jobs.** An Applicant that receives Job Creation Tax Credits and fails to create the approved number of New Jobs within five (5) years of the Start Date will be required to refund to the City of Philadelphia the total amount of credit or credits granted.
- C. **Waiver.** The Department may waive the penalties outlined in subsection (1) and (2) above if it is determined that an Applicant's operations were not maintained or the New Jobs were not created because of circumstances beyond its control. Such circumstances include natural disasters, acts of terrorism, unforeseen industry trends, or a loss of a major supplier or market.

Section V – Contact

- A. Program inquiries should be directed to:

**Department of Revenue**

**Technical Staff**

**Phone: 215-686-6434**

- B. Regulations can be accessed on-line at [www.phila.gov/revenue](http://www.phila.gov/revenue). Go to the “Tax Regulations” section.