



**NOTICE: Public testimony on Tax Bills, including Wage and BIRT Tax reductions that affect businesses and workers citywide.**

Public testimony from small and midsize business owners and pro-job growth advocates is needed at City Council's [FY'24 Budget](#) hearing on tax reduction bills. **Please join us in advocating for City leaders to invest in local small and midsize business job growth and economic recovery** by signing up to testify during the hearing on **Thursday, April 18<sup>th</sup> at 3pm**.

The City's current budget proposal dedicates \$28 million toward these reductions, but it's not enough to keep businesses from relocating to areas with competitive advantages. Last year, the City lost over [18,300 jobs](#).

Investing in businesses like yours creates more jobs and City revenue to improve the quality of life and standard of living for all Philadelphians. **More jobs mean more for everyone in Philadelphia.**

**There is strength in numbers.** We urge you to stand and be heard for the future of Philadelphia. The Inclusive Growth Coalition is able to provide assistance to anyone willing to offer written or virtual testimony in favor of continued tax reductions. **Please join us in advocating for city leaders to invest in local small and midsize business job growth** by [signing up to testify](#) at City Council on **Thursday, April 18<sup>th</sup> at 3pm**.

**Consider this:**

- Philadelphia still has the ["highest in the nation" Wage Tax](#) and is the only major City in the country that "double taxes" businesses with the [Business Income and Receipts Tax \(BIRT\)](#),
- 80% of respondents to a [joint survey performed by Philadelphia's diverse chambers of commerce](#) indicated that reducing taxes on business is the primary action the City could enact to help them stay, grow and hire here.

**5 Takeaways**

1. **The cost of doing business is higher everywhere, but highest in Philadelphia.** Philadelphia business owners and workers are still struggling to make ends meet because of forces outside their control including inflation, ongoing supply chain issues and increasing overhead costs.
2. **More jobs equal less crime.** Research consistently shows that promoting job creation and business growth makes cities safer, healthier, and more livable. More jobs and businesses mean more revenue for the City to fund the crucial public services needed to address crime, reduce poverty, provide housing, promote education, offer healthcare and behavioral health assistance, and keep the City clean.
3. **The most successful business owners grow and give back.** When businesses expand, more workers are hired, more family-sustaining income is generated, more tax revenue is created, and more Philadelphians who rely on quality-of-life City services are helped. Previous tax cuts, between 1996 and 2008, resulted in 25,000 additional jobs for the City. An investment in creating jobs is an investment in helping our most vulnerable populations.
4. **A 1% annual investment makes Philadelphia economically competitive in 10 years.** At the current rate of reduction, it will take the City more than twice as long to compete regionally and nationally.
5. **The City can afford this investment and needs the dividends.** A 1% - 2% investment is entirely feasible given the City's current revenue projections, better than expected budget surplus, American Rescue Plan dollars, and reasonable economic growth estimates.

## Example Testimony

### Business Owner [Wage + BIRT]

Council – I urge you to vote yes to wage and BIRT tax reductions today and want to thank all those Councilmembers who voted for reductions last year – and standing by the small business owners and hard-working citizens of this City.

- [Bill #230149](#) INTRODUCED BY: Councilmembers Jones on behalf of Council President Clarke – An Ordinance amending Chapter 19-2600 of The Philadelphia Code, entitled “Business Income and Receipts Taxes,” by revising certain tax rates, under certain terms and conditions.
- [Bill #230147](#) INTRODUCED BY: Councilmembers Jones on behalf of Council President Clarke – An Ordinance amending Chapter 19-1500 of The Philadelphia Code, entitled “Wage and Net Profits Tax,” by revising certain tax rates, under certain terms and conditions.

As a business owner, I work hard with a goal of growing. When my business grows, we hire, creating income for others. No one hires just to hire. We hire because we need help. The more we grow, the more help we need. So, it just makes sense to invest in this kind of growth.

With inflation surging, staples of everyday life are getting more expensive, you need to give an immediate raise to our workers and increase the ability for my business to recover, grow and hire.

Everyone who works for themselves or for others pays taxes - and cutting Philadelphia's too high wage and business taxes would give an immediate boost to my workers, and the ability for me to invest more in my business.

Philadelphia is the only major city that double taxes it's businesses through a Business Income Tax and a Business Receipts Tax, and Philadelphia has the Nation's highest Wage Tax.

- These taxes have been the greatest barrier for my business to grow in the City
- Reducing taxes on businesses is the primary action the City could enact to help us grow and hire.

The time is now to give every worker, and those who work for themselves, an immediate raise by cutting the “highest in the nation” wage tax and the “double tax” on working people who own businesses.

## Example Testimony

### Resident/Employee [Wage Tax]

Council – I urge you to vote yes to wage and BIRT tax reductions today and want to thank all those Councilmembers who voted for reductions last year – and standing by the hard-working citizens of this City.

- [Bill #230147](#) INTRODUCED BY: Councilmembers Jones on behalf of Council President Clarke – An Ordinance amending Chapter 19-1500 of The Philadelphia Code, entitled “Wage and Net Profits Tax,” by revising certain tax rates, under certain terms and conditions.

With inflation surging, staples of everyday life are getting more expensive, you need to give an immediate raise to our workers and incentivize us who live and work in the City to stay.

As a taxpayer, I work hard with a goal of growing, but when I continue to pay exorbitant taxes for [working and/or living] in the City, I ask myself why I continue to stay here – I can move just outside city limits and pay much lower taxes, across the board, and increase my earning potential.

Cutting Philadelphia's too high wage tax would give an immediate raise to all workers and residents in this City, and the ability for us to put more money into our local economy and continue affording to stay here.

Philadelphia has the Nation's highest Wage Tax.

- These taxes discourage me to stay [living/working] in the City. I can [move/work] just across city limits and immediately give myself a raise.
- Reducing the wage tax is the primary action the City could enact to help residents and workers make more money and help our local economy.

The time is now to give every worker, and those who work for themselves, an immediate raise by cutting the “highest in the nation” wage tax.