

24TH DISTRICT  
**BOB MENSCH**

SENATE BOX 203024  
459 MAIN CAPITOL BUILDING  
THE STATE CAPITOL  
HARRISBURG, PA 17120-3024  
(717) 787-3110  
FAX: (717) 787-8004  
EMAIL: [bmensch@pasen.gov](mailto:bmensch@pasen.gov)  
[www.senatormensch.com](http://www.senatormensch.com)

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**Senate of Pennsylvania**

**MEMO**

**DATE:** December 2, 2010  
**TO:** All Senators  
**FROM:** Senator Bob Mensch *RBM*  
**SUBJECT:** Co-sponsorship - Jobs Initiative Package

I am re-introducing a series of bills from last session that are aimed at moving the Commonwealth forward through this tough economy by enabling the creation of new jobs for Pennsylvanians, and to help protect our existing jobs.

We need to remain focused on solutions to turning this economy around and not just the immediate impact of the financial crisis we are facing. Pennsylvania's tax policies have severely hurt job growth and rendered us uncompetitive even in good economic times. Now is not the time to protect the status quo but to take a bold step in establishing Pennsylvania as a pro-business and pro-jobs. The bills I will re-introduce will:

1. Reduce the Personal Income Tax (PIT) to 2.99 percent (**Similar to SB 1361 of last session**)
2. Implement a Single Sales Factor. Without a 1:1 ratio we are unnecessarily impacting our state-based businesses, especially multiple location retailers. (**SB 1362 of last session**)
3. Reduce the Corporate Net Income (CNI) Tax Rate to 8.99 percent in FY 2011-12, 7.99 percent in 2012-13, and 6.99 percent thereafter. Reducing our CNI to 8.99% will move us to only the 6<sup>th</sup> highest state in the nation. (**Similar to SB 1363 of last session**)
4. Uncap the Net Operating Loss (NOL) Carryforward. This will encourage new capital investment in our state, and will create new jobs. (**SB 1364 of last session**)
5. Establish a Career Development Credit program to credit a percentage of qualified employer costs for training employees and upgrading their skills against Pennsylvania corporate and income tax liability. The program is capped at \$20 million per year, and funded through state dollars already being spent on workforce development in the Commonwealth. There are 18 other states with a job training tax credit. (**SB 1365 of last session**)

We need to stop thinking of business tax reductions in terms of revenue loss and instead, look at what a sound tax policy in the Commonwealth would really be - an excellent economic investment.

If you have any questions or are interested in co-sponsoring any of these bills, please call my office at (717) 787-3110 or email Geri Sarfert at [gsarfert@pasen.gov](mailto:gsarfert@pasen.gov).

**MONTGOMERY COUNTY OFFICE**  
427 WEST MAIN STREET  
LANSDALE, PA 19446-2007  
(215) 368-1500  
FAX (215) 560-4896

**LEHIGH COUNTY OFFICE**  
1245 CHESTNUT STREET, UNIT #5  
EMMAUS, PA 18049  
(610) 965-1466  
FAX (610) 967-2586

**NORTHAMPTON COUNTY OFFICE**  
1701 WASHINGTON BOULEVARD  
EASTON, PA 18042  
(610) 250-5624  
FAX (610) 250-5628

**BUCKS COUNTY OFFICE**  
312 W. BROAD STREET, SUITE 3  
QUAKERTOWN, PA 18951  
(215) 529-1215  
FAX (215) 529-1218