

BRYAN CUTLER, MEMBER
100th LEGISLATIVE DISTRICT

HARRISBURG OFFICE:
147A EAST WING
P.O. BOX 202100
HARRISBURG, PA 17120-2100
(717) 783-6424
FAX: (717) 772-9859

DISTRICT OFFICE:
207 E. STATE STREET
QUARRYVILLE, PA 17566
PHONE: (717) 786-4551
FAX: (717) 786-3645

RepCutler.com
Twitter.com/RepBryanCutler
Facebook.com/RepBryanCutler



House of Representatives
Commonwealth of Pennsylvania
Harrisburg

COMMITTEES

HEALTH COMMITTEE
JUDICIARY COMMITTEE
LOCAL GOVERNMENT COMMITTEE
GAME & FISHERIES COMMITTEE

MEMORANDUM

May 7, 2012

TO: All House Members
FROM: Representative Bryan Cutler *BC*
RE: Co-sponsorship-Amending Local Tax Enabling Act

In the near future, I am planning to introduce legislation that will amend the Local Tax Enabling Act to correct an oversight relating to the credit received by individuals for their local earned income tax if they pay the Philadelphia Wage Tax.

I was contacted by a constituent who indicated that the local tax collector was no longer providing a credit for local earned income taxes when the taxpayer pays the Philadelphia Wage Tax if the local earned income tax rate is above 1%. After reviewing the statute, I concluded that the local taxing authority was incorrect and a credit was due. I contacted the local tax collector myself to determine under what authority they were making the determination that they no longer had to allow a credit for the Philadelphia Wage Tax for any additional rate above the 1%. The local tax collector cited Section 317 of the Local Tax Enabling Act stating that this section only applied to chapter three based on the word chapter in the act.

Though I disagree with the interpretation of the statute, I will be introducing simple legislation which will change the word "chapter" to "act" in this section. This change will ensure that a proper credit is given to those taxpayers who work in the City of Philadelphia and are therefore subject to the Philadelphia Wage Tax.

If you would like to join me in sponsoring this bill, please contact Jennifer at jwilliam@pahousegop.com or 717-783-6424

BC.jjw