Dear Chairmen,

On behalf of the Pennsylvania Institute of Certified Public Accountants (PICPA), I am writing to respectfully request your support of House Bill 1796, which is on the Senate Finance Committee agenda for consideration today, April 6, 2020. The legislation essentially would make the First Class City Business Tax Reform Act of 1984 consistent with the Philadelphia city ordinance as it relates to net operating loss (NOL) carryforward for businesses. Philadelphia City Council approved extending the NOL provision to 20 years, which is the same as Pennsylvania’s. It had been three years, which by far is the shortest period and least competitive NOL provision in the country. Furthermore, the legislation helps Philadelphia’s competitiveness for attracting life sciences and similar businesses that have long development cycles. Importantly, enactment of HB 1796 will have no adverse fiscal impact on the state’s General Fund budget. House Bill 1796 passed the House in January by a vote of 196-0.

Thank you for your consideration of House Bill 1796, and please do not hesitate to contact me if you have questions.

Peter

Peter N. Calcara, CAE | Vice President - Government Relations
Pennsylvania Institute of CPAs | 500 North 3rd Street, Suite 600A | Harrisburg, PA 17101
(717) 232-1821 | Fax (717) 232-7708 | www.picpa.org