

# City of Philadelphia Department of Revenue

## EMPLOYER APPLICATION TO PARTICIPATE IN THE PHILADELPHIA RE-ENTRY EMPLOYMENT PROGRAM

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

**PLEASE PRINT**

APPLICANT'S NAME \_\_\_\_\_

BUSINESS ADDRESS \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

PHILADELPHIA ADDRESS (If different from Business Address) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

CONTACT PERSON \_\_\_\_\_

CITY ACCOUNT NUMBER

□ □ □ □ □ □ □ □

FEDERAL IDENTIFICATION NUMBER

□ □ - □ □ □ □ □ □ □ □

SOCIAL SECURITY NUMBER

□ □ □ □ - □ □ - □ □ □ □ □ □

TELEPHONE NUMBER

□ □ □ □ - □ □ □ □ - □ □ □ □ □ □

DATE BUSINESS BEGAN IN PHILADELPHIA

□ □ □ - □ □ □ - □ □ □ □ □ □

E-MAIL ADDRESS \_\_\_\_\_

**TYPE OF BUSINESS**

- |                                    |                                      |
|------------------------------------|--------------------------------------|
| <input type="checkbox"/> RETAIL    | <input type="checkbox"/> MANUFACTURE |
| <input type="checkbox"/> WHOLESALE | <input type="checkbox"/> SERVICE     |

GROSS RECEIPTS SUBJECT TO PHILADELPHIA  
BUSINESS PRIVILEGE TAX FOR THE FOUR YEARS  
PRIOR TO THE START DATE

YEAR	GROSS RECEIPTS
□ □ □ □	\$ □ □ , □ □ □ □ , □ □ □ □ . 0 0
□ □ □ □	\$ □ □ , □ □ □ □ , □ □ □ □ . 0 0
□ □ □ □	\$ □ □ , □ □ □ □ , □ □ □ □ . 0 0
□ □ □ □	\$ □ □ , □ □ □ □ , □ □ □ □ . 0 0

NET INCOME SUBJECT TO THE PHILADELPHIA  
BUSINESS PRIVILEGE TAX FOR THE FOUR YEARS  
PRIOR TO THE START DATE

YEAR	NET INCOME
□ □ □ □	\$ □ □ , □ □ □ □ , □ □ □ □ . 0 0
□ □ □ □	\$ □ □ , □ □ □ □ , □ □ □ □ . 0 0
□ □ □ □	\$ □ □ , □ □ □ □ , □ □ □ □ . 0 0
□ □ □ □	\$ □ □ , □ □ □ □ , □ □ □ □ . 0 0

**TYPE OF ENTITY**

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> SOLE PROPRIETORSHIP | <input type="checkbox"/> PARTNERSHIP   | <input type="checkbox"/> OTHER (SPECIFY) _____ |
| <input type="checkbox"/> S CORPORATION       | <input type="checkbox"/> C CORPORATION |  |

Provide a brief description of the nature of the applicant's business activity.

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Description of the project that will create the new jobs.

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

**Print Name:** \_\_\_\_\_ **Representing:** \_\_\_\_\_

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

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**Mail Completed Application To:**

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

## Section I - General

### A. Introduction

- (1) The Philadelphia Re-Entry Employment Program (PREP) was established for the purpose of securing job creating economic development opportunities for ex-offenders through the expansion of existing businesses and the attraction of economic development prospects for the City of Philadelphia.
- (2) Beginning in tax year 2008, an employer who hires an ex-offender can elect to claim a PREP tax credit against their Business Privilege Tax. A business could receive up to \$10,000 tax credit each year for three years for each ex-offender hired for at least six months. The maximum amount of tax credit a business may receive for any one Qualifying Employee over all tax years is \$30,000.
- (3) A Qualifying Employee is an ex-offender who is employed for the tax year in a full time job with an hourly rate, excluding benefits, of at least 150% of the federal minimum wage and who receives an employment package that includes the same benefits as are provided to other full time employees and tuition support for GED, Community College or other post-secondary education.
- (4) An ex-offender is a person previously convicted of a felony, or who was incarcerated for any conviction, or who is currently on probation or parole for any conviction or who is currently in a work release program or programmed for work release.

### B. Eligibility

In order to be eligible to receive PREP Tax Credits, a business must first execute a PREP Tax Credit Agreement with the Revenue Department that contains:

- (1) Details all the terms and conditions of the PREP Tax Credit Program.
- (2) Business' agreement to notify the Revenue Department within one week after any Qualifying Employee is no longer employed by the business, which notification shall include an explanation as to why the Qualifying Employee's employment terminated.
- (3) Business' agreement to withhold from wages of any Qualifying Employee and remit to the City the payments the Qualifying Employee must make to the City under Section 19-2604 (8) (e) (iii) of the Philadelphia Code.
- (4) Business' commitment to maintain its operation in the City of Philadelphia for five years from the date of the agreement, and the business' agreement to repay any tax credits it receives if it violates such commitment, as required by Section 19-2604 (8) (e) (iii) of the Philadelphia Code.

## 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 the application, business must provide financial statements (i.e. Income Statement, Balance Sheet, and Cash Flow) for the last three years.
- (3) Upon approval of an application, the Department of Revenue will prepare a PREP Tax Credit Agreement, which will be mailed to the applicant.
- (4) Upon acceptance of the conditions listed in the PREP Tax Credit Agreement, the business must sign the agreement and return it to the Department of Revenue within 30 days of the date of the cover letter.
- (5) After a business has executed a PREP Tax Credit Agreement, it shall make application to the Revenue Department, on a form required by the Department, for each employee to be certified by the Department of Revenue as a Qualifying Employee.

### Section III - Penalties

- A. **Failure to maintain operations.** An applicant that receives PREP Tax Credits and fails to substantially maintain existing operations and the operations related to the tax credits in the City of Philadelphia for a period of five (5) years from the date the business executes a PREP Tax Credit Agreement shall be required to refund to the City of Philadelphia the total amount of credit or credits granted.
- B. **Waiver.** The Department may waive the penalties outlined in subsection (A) above if it is determined that an applicant's operations were not maintained 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 IV - Contact Information

- 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). Select What's New.