

# City of Philadelphia



(Bill No. 070072)

## AN ORDINANCE

Amending Chapter 19-2604 of The Philadelphia Code, entitled “Business Privilege Taxes,” by providing a “Green Roofs Tax Credit” for costs incurred to erect a “green roof” that supports living vegetation, under certain terms and conditions.

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. Chapter 19-2600 of The Philadelphia Code is hereby amended to read as follows:

CHAPTER 19-2600. BUSINESS PRIVILEGE TAXES.

\* \* \*

§19-2604. Tax Rates, Credits, and Alternative Tax Computation.

\* \* \*

(8) “Green Roofs” Tax Credit.

(a) *Definitions.* For purposes of this subsection, the following definitions shall apply:

(1) *Green roof.* An addition to a roof that supports living vegetation and includes a synthetic, high quality waterproof membrane, drainage layer, soil layer and light weight medium plants.

(2) *Eligible roof top space.* The total space available to support a green roof, as certified by a structural engineer.

(b) *Application.* A business seeking a Green Roof Tax Credit must file a Green Roof Tax Credit Application, in the form and manner prescribed by the Revenue Department, that includes the following:

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(1) *The location of the proposed green roof.*

(2) *Proof that the applicant has received all required permits and approvals to construct the green roof, after first submitting to the Department of Licenses and Inspections the plans for the green roof and a written analysis conducted by a roof engineer that confirms the following:*

(i) *The condition of the roof is satisfactory for green roof construction;*

(ii) *The structural capacity of the roof would support the proposed green roof;*

(iii) *There is appropriate and safe access to the roof for maintenance purposes;*

(iv) *The weight of the proposed green roof is appropriate for the roof; and*

(v) *The plans include appropriate irrigation and drainage measures.*

(c) *Commitment Letter. The Revenue Department shall approve the application if it contains all the required information. After approval of the application, the applicant must execute a commitment letter with the Revenue Department setting forth the following:*

(1) *The plans for the green roof, as approved by the Department of Licenses and Inspections, which plans must provide for a green roof covering at least fifty percent (50%) of the building's rooftop or seventy-five percent (75%) of eligible roof top space.*

(2) *The maximum green roof tax credit amount the applicant may claim, as calculated under subsection (8)(d).*

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(3) *The applicant's commitment to maintain the green roof for a period of five (5) years after completion, and the applicant's acknowledgement that it is bound by the provisions of subsection (8)(e) requiring repayment of any tax credits it has received if it fails to so maintain the green roof.*

(5) *Such other provisions as the Revenue Department deems appropriate.*

(d) *Granting of Credits.*

(1) *After the applicant and the Revenue Department have executed the commitment letter, the applicant, after certifying to the Revenue Department that it has completed the green roof in accordance with the plans set forth in the commitment letter, may claim a tax credit of twenty-five percent (25%) of all costs actually incurred to construct the green roof, provided that total tax credits for a green roof may not exceed \$100,000. Such tax credit shall be applied against the applicant's total business privilege tax liability for the Tax Year during which the applicant certifies completion of the green roof, provided that any unused credits may be carried forward until fully used.*

(2) *A business may receive only one green roof tax credit per building, but may receive green roof tax credits for each building it owns.*

(e) *Repayment of Tax Credits. A business that has received green roof tax credits must repay those tax credits to the City if it fails to maintain the green roof in accordance with the provisions of the commitment letter. The Revenue Department may waive such repayment if it determines the failure to maintain the green roof was because of a natural disaster or other act of God, an act of terrorism, or similar circumstances beyond the control of the business.*

(f) *The Revenue Department shall by December 31 of each year submit a written report to the Mayor, with a copy to the President and Chief Clerk of Council,*

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*summarizing the City's experience during the prior year with the tax credit provided under this subsection.*

\* \* \*

SECTION 2. This ordinance shall take effect with respect to Tax Year 2007 and thereafter.

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**Explanation:**

*Italics* indicate new matter added.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on March 29, 2007. The Bill was Signed by the Mayor on April 12, 2007.



Patricia Rafferty  
Chief Clerk of the City Council