

Philly Wealth Tax

Estimated Revenue Generation: \$50 million/yr

What is the Philly Wealth Tax (aka the Personal Property Tax) ?

- This is a tax on the value of intangible assets such as stocks and bonds held by individuals and businesses. The tax is distinguishable from the School District unearned income tax, which taxes the income from intangible assets, rather than the book value of those assets.

Key Facts:

- This tax was in effect most of the 20th century and cities are explicitly authorized to enact it under state law;
- The tax falls almost exclusively on the rich, banks and other corporations, since they are the ones who hold the kinds of assets that are subject to the tax, and because retirement accounts will be excluded;
- The rate of the tax is capped at the very low rate of .004%, or \$4 of every \$1,000 of assets.

Who supports the proposal? Bill 200371 to re-establish this tax was introduced last June by Councilmember Brooks and co-sponsored by Councilmember Gym. Not enough lobbying was done to determine who else on Council might vote for it, and very little community outreach was done. However, everyone at this table, the A4JP and various community groups supported it.

Who is in opposition to the proposal? It is assumed that rich people, banks and big business in general are opposed, along with many Councilmembers and the Mayor.

How has the proposal worked in other communities? It was in effect in many PA counties for many years, but slowly repealed one place after another. It raised \$17 million in Philadelphia in its last year, and should raise about \$50 million a year if reinstated given the tripling of stock market values over the last 20 years.

What's the status of the proposal? Bill 200371 to reimpose this tax, introduced by Kendra Brooks, is lodged in City Council's Finance Committee and needs a hearing before it can be voted out for consideration by the entire City Council.

Additional Resources about the proposal: Although we can't find jurisdictions that currently impose a tax on intangible personal property, [California is considering it](#). And so is Washington State, where it will likely result in a [\\$2 billion dollar tax bill for Jeff Bezos](#).