

PHILADELPHIA TAX RATES AND THEIR RELATIONSHIP TO TAX BASES AND TAX REVENUES



CLIENT

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In 2001, Econsult Corporation was retained by the Pennsylvania Economy League and the Philadelphia Controller's Office to carry out an analysis of the expected impacts of changes in the City's tax structure.

Econsult's analysis provided an estimate of the past effects of changes in the wage, property and gross receipts taxes on the City's employment base, property values and business sales. The estimates were based on extensive econometric modeling of the relationships between these taxes and their respective bases, as well as "cross effects" between, for example, wage taxes and property values. This highly visible work has been a crucial component in an on-going debate regarding tax reform for the City of Philadelphia.

