



We Need a Competitive Business Tax Environment to: Grow PA Jobs • Increase Private Investment • Secure a Strong Workforce

In 2005 the business community came together through a statewide coalition called CompetePA to speak and advocate with one voice on the issue of competitive business taxes.

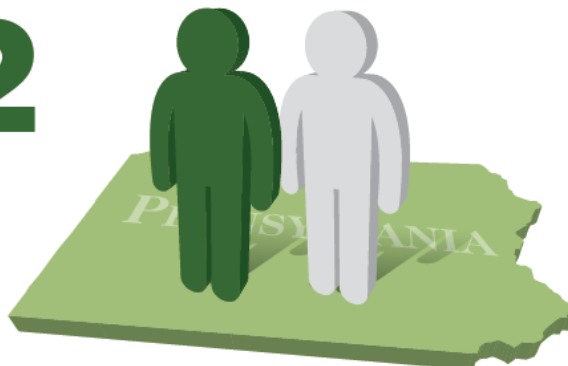
PROOF POINTS:

- Overall, we have one of the least competitive corporate tax environments in the country. In 2017, the Commonwealth ranked 44th out of 50 states in the Tax Foundation's Corporate Tax Rank¹; only six states were listed as having a worse corporate tax environment.
- Pennsylvania is one of only a small handful of states in the nation that caps the usage of net operating losses (NOLs), and we have the highest non-graduated Corporate Net Income (CNI) tax rate in the country, at 9.99 percent.

COMPETEPA'S POLICY PRIORITIES:

- **Our coalition's top priority is to fully lift the cap on the usage of Net Operating Losses (NOLs).** Pennsylvania is one of only a few states that caps the amount of net operating losses (NOLs) a company can offset against its current corporate net income. For cyclical companies – like manufacturers and high-growth start-ups – that means tax rates here are several times higher than in competing states.
- **We support a reduction of the CNI tax rate.** We understand the current budgetary complexities with reducing the CNI rate immediately, but we look forward to ongoing discussions with legislators and the administration around how we can work to reduce this uncompetitive rate in the near future.
- **Instituting Mandatory Unitary Combined Reporting (MUCR) would have a broad range of negative consequences on Pennsylvania's economic climate.** MUCR creates complexity and uncertainty for businesses.

**1 out of 2
workers
in Pennsylvania
is employed by
a CompetePA
member.**



CONTACT: Jenn Beer, Greater Pittsburgh Chamber of Commerce
412.281.4783 x3114 | jbeer@pittsburghchamber.com

CompetePA is a statewide coalition of more than 130 businesses and organizations that works to grow jobs, increase economic investment and secure a strong workforce by advocating for a competitive business tax climate. Formed in 2005, CompetePA members employ more than half of the state's private sector workforce.

¹ <http://taxfoundation.org/article/2017-state-business-tax-climate-index>