



For immediate release

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CompetePA Commends Governor for Pro-Growth Budget Proposal

(HARRISBURG – February 6, 2013) -- The CompetePA coalition applauds Governor Corbett for proposing a budget that will increase economic growth and spur job creation in Pennsylvania by including a tax reform package that supports private sector development. CompetePA – a coalition of businesses and organizations representing more than half of the private sector employment in Pennsylvania – thanks the Governor for putting forth a responsible budget that will help move the needle on job growth and economic development in the Commonwealth.

CompetePA has been advocating for critical business climate improvements since 2005. Our priorities include removing the cap on net operating loss carryforwards (NOL), ensuring the phase-out of the Capital Stock & Franchise Tax (CSFT) and ultimately working to reduce the overall Corporate Net Income Tax (CNIT) rate. We applaud the Governor for proposing to lift the cap on NOLs to \$5 million or 30 percent and for beginning to phase down the CNIT from 9.99 percent to 6.99 percent in a multi-year phase-down. We intend to work with the Governor and legislative leaders to support these critical reforms.

The Governor's commitment to finalize the phase-out of the CSFT on January 1, 2014 is to be commended, as Pennsylvania is the only state in the nation to tax both business income and assets. This puts an end to a five year delay, as it is important to note that under the original phase-out schedule put forward by Governor Tom Ridge, the Commonwealth would have stopped collecting the tax on January 1, 2009.

Over 130 businesses and business organizations that are members of CompetePA have been diligent in attempting to accomplish changes to improve the business climate for the Commonwealth. States today not only compete with their surrounding neighbors, but with countries across the globe. If Pennsylvania is to compete nationally and globally, we must have a pro-growth plan that attracts new companies to locate here and encourages those already in business here to expand their operations. Again, we applaud the Governor for outlining a budget proposal that puts us on that path, and we look forward to working with him and our legislative leaders to move it forward.

[Membership List Attached]

CompetePA is a coalition of more than 130 businesses and organizations representing more than half of the private sector workforce in Pennsylvania, committed to improving the business climate in order to encourage economic investment and job creation. For more information about CompetePA and what you can do to help Pennsylvania compete successfully for new jobs and investment, visit www.CompetePA.com.

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