



June 14, 2021

Dear Honorable Members of the Senate Finance Committee:

On behalf of over 160 businesses and organizations across Pennsylvania, the CompetePA Coalition writes to strongly encourage your support for Senate Bill 447. This bill, sponsored by Senator Michelle Brooks (R-Mercer), will reduce the Corporate Net Income Tax (CNIT) rate by 0.5 percent every year over a period of six years until it reaches 6.99%.

CompetePA is a coalition comprised of statewide and regional business groups, small- and medium-sized businesses, as well as Fortune 500 companies. The coalition, which represents more than half the Commonwealth's private sector employers, was formed in 2005 to help create a competitive business tax climate that encourages job growth in Pennsylvania. Reducing the CNIT rate has been a top priority of our coalition since its inception, and we believe now, more than ever, is the best time for this to happen.

As regions everywhere look to recover and thrive in a post-pandemic world, we need to ensure Pennsylvania is competitively positioned versus the competition. Businesses invest where they can grow – and those investments ultimately expand our tax base and thus increase tax revenue, contribute to community vibrancy, and to the creation of good, family-sustaining jobs. Pennsylvania needs an environment that welcomes investment and taking steps to reduce what is currently the highest flat CNIT rate in the country, will greatly improve our competitive standing.

To assist with additional data and analytical support for this issue, please find attached three snapshot analyses that were provided by the Pennsylvania Economy League of Greater Pittsburgh, an affiliate of the Allegheny Conference.

Again, we respectfully ask for your support for SB 447, which will reduce the CNIT rate and help to create jobs and economic opportunity at a time when Pennsylvania needs it the most.

Sincerely,

The CompetePA Coalition
[Membership List Attached]