

# Greater Lehigh Valley Chamber of Commerce

## Tax and Regulatory Policy

**Who We Are:** The Greater Lehigh Valley Chamber of Commerce Tax and Regulatory Committee is composed of member small business owners, as well as tax and finance and management specialists, who review the annual fiscal plans and tax legislation at the local, state, and federal levels to assure that tax burdens are shared equally. The Committee assumes responsibility for informing the municipal officials, General Assembly, and Congress of the Lehigh Valley's tax concerns.

**Mission:** The Tax and Regulatory Committee's mission is to ensure a favorable business tax climate in the Lehigh Valley by analyzing tax issues, recommending positions, and providing testimony at legislative and regulatory hearings on tax matters affecting the business community.

**Strategy:** Educate and engage the business community and partner with local, state and federal organizations in promoting sound sustainable tax and regulatory policies.

### **Policy Objectives:**

The Chamber supports the following concepts:

- Substantive reform of local, state, and federal tax and revenue systems to accomplish a favorable tax climate;
- Tax policies must be assessed against the potential impact on both the Lehigh Valley's and Pennsylvania's economic growth and viability, and not based solely on anticipated revenues;
- As the fastest growing and third largest metropolitan area in Pennsylvania, we believe the state must invest in the essential infrastructure that is critical to the economic health of the revenue-producing regions in Pennsylvania. High growth areas, like the Lehigh Valley, should have greater access to the income tax revenue generated by its citizens to support the increased costs associated with that growth;
- Efforts to encourage business growth through streamlining government review processes;
- Regulatory policies that emphasize the importance of strong economic growth, while ensuring rules are cost-effective and based on valid scientific and technical data;
- The periodic review and revision of the processes by which state government permits and regulates business activities. Existing requirements that do not contribute to meaningful improvement of the application or proposal under consideration must be streamlined or eliminated where appropriate.

### The Chamber opposes:

- Any amendment to the Pennsylvania Constitution permitting the creation of a homestead exemption, a type of property tax relief that reduces the assessed value of the home on which property tax bills are based, or similar tax policy that would result in higher commercial real estate taxes through creation of a new class of real property that may be exempted from local taxation;
- Unfunded mandates or policy positions, particularly those that would require Pennsylvania's businesses and other taxpayers to fund the long-term costs of these mandates;
- Arbitrary efforts to limit or suspend growth and economic development, and excessive and inconsistent regulations placed on business development or expansion.

### Action Items:

1. Advocate against unfavorable mandates on businesses.
2. Advocate for favorable businesses tax policies.
3. Oppose tax increases and new taxes that will adversely affect business growth, community development, or economic development.
4. Encourage the restructuring of the personal income tax (PIT) by shifting from federal taxable income to a model of adjusted gross income.
5. Promote a state tax policy that retains and encourages business investment, such as phasing out the corporate net income tax (CNI).

### Areas of Advocacy:

- Compete PA Coalition Member ([link](#))
- Earned Income Tax (EIT) Reform
- Education Improvement Tax Credit (EITC) funds
- International Trade Reform
- Unemployment Compensation Reform
- Worker's Compensation Reform

Vote history:

9-25-12--approved by Tax&Reg Cmtee

11-28-12 approved by Public Policy Cmte (9-26-12 presented to PP)

12-10-12 approved by Executive Committee (w/grammar amendment)

12-17-12 approved by Board of Governors