



City of Pittsburgh

510 City-County Building
414 Grant Street
Pittsburgh, PA 15219

Text File

Introduced: 3/19/2013

Bill No: 2013-1319, **Version:** 1

Committee: City Council

Status: Adopted

WHEREAS, in Pittsburgh more than 30% of land is tax-exempt due to the growth of some large non-profit organizations; and

WHEREAS, in 1997 the Pennsylvania General Assembly passed Act 55 in an effort to define purely public charities; and

WHEREAS, shielded by Act 55, mega-charities throughout the State began reducing their payments in lieu of taxes while simultaneously taking a larger and larger footprint of their host communities; and

WHEREAS, in Pittsburgh, the payments in lieu of taxes plummeted from nearly \$4 million in 1996 to under \$300,000 in 2010; and

WHEREAS, in April of last year, the Supreme Court of Pennsylvania has presented an opportunity for communities across the state to challenge the tax-exempt statuses of mega-charities through its recent ruling; and

WHEREAS, Bills are now moving through the Senate and House of Representatives which will return Pennsylvania to a relaxed standard of non-profit exemptions, allowing mega-charities to continue profiting off of their non-profit status; and

WHEREAS, the rash and hasty passage of these bills would undermine the ability of local governments to hold mega-charities accountable for the impacts they have on communities across Pennsylvania ; and

WHEREAS, the attempt to make a change to the Constitution without a single public hearing sets a dangerous precedent and demonstrates a lack of transparency and accountability among the legislators advancing this legislation; and

WHEREAS, the ultimate burden of the Legislature's actions will fall on the residents and business owners of our communities, who will be forced to shoulder an ever increasing burden by mega-charities in their communities; and

WHEREAS, this legislation is particularly harmful to Pennsylvania's core cities; cities that are already

Introduced: 3/19/2013

Bill No: 2013-1319, **Version:** 1

Committee: City Council

Status: Adopted

struggling with shrinking tax bases and growing costs for basic service provision; and

WHEREAS, the the Council of the City of Pittsburgh believes that the most appropriate way to define a purely public charity is one that advances a charitable purpose, donates a substantial portion of its services, benefits a substantial and indefinite class of persons who are in need of charity, relieves the government of some of its burden and operates entirely free from private profit motive.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Pittsburgh strongly opposes the passage of Senate Bill 4 and House Bill 724 and decries any attempt to restrict the ability of local governments to hold mega-charities accountable for their impact on communities.

AND BE IT FURTHER RESOLVED that a copy of this resolution be sent to the Governor of Pennsylvania, the leadership of both chambers of the Legislature, and the Pittsburgh delegation to the Pennsylvania Legislature.