

COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF REVENUE

October 15, 2014

Honorable Charles Zogby Secretary of the Budget Governor's Budget Office 333 Walnut Street, 19th Floor Harrisburg, PA 17101-1825

Dear Secretary Zogby:

I hereby certify, pursuant to Act 52 of 2013, that the 2013 state baseline tax amount for the City Revitalization and Improvement Zone (CRIZ) established in Lancaster is \$12,578,756 27 This state tax baseline reflects state taxes attributable to the Lancaster CRIZ between January 1 and December 31, 2013, the year in which the CRIZ was established.

Pursuant to law, the state tax baseline, which is reviewed and adjusted on an annual basis, will be subtracted in future years from state tax certifications, and the resultant certified eligible state zone tax will be transferred from the General Fund to the Lancaster CRIZ contracting authority fund.

Sincerely.

Daniel Meuser

Secretary of Revenue

cc: Thomas O. Armstrong, Ph.D., Deputy Secretary for Taxation

C. Daniel Hassell, Deputy Secretary for Tax Policy Matt Forti, Economic Development Coordinator

CITY REVITALIZATION AND IMPROVEMENT ZONE (CRIZ) PROGRAM RECORD

STATE RECORD

PROGRAM YEAR: 2013

TAX PERIOD: January 1 to December 31, 2013

- \$ 11,809,832.52 Total business trust fund taxes attributable to the CRIZ, including employer withholding and sales/use tax from businesses.
- \$ 1,164,506.10 Total corporation taxes and miscellaneous taxes attributable to the CRIZ.
- \$ (395,582.35) Total refunds granted to taxpayers reducing CRIZ taxes attributable to the CRIZ.
- \$ 12,578,756.27 Total aggregate general fund tax revenue attributable to the baseline year for the City Revitalization and Improvement Zone (CRIZ) program on behalf of the city of Lancaster.
 - Total CRIZ tax reports from businesses identified as within the CRIZ by the Lancaster City Revitalization and Improvement Zone Authority received by the June 15 filing deadline.
 - Total businesses identified by the authority on May 30, 2014, to the Department of Revenue as qualified businesses required to file CRIZ reports.

The state tax baseline will be reviewed and adjusted on an annual basis. Any qualified business within the zone that didn't file a CRIZ report by the June 15 filing deadline will have opportunity to file CRIZ reports in future years, and each first-year's report will be added to the tax baseline. In addition, all businesses, classified as Pennsylvania relocations will be added to the baseline upon filing a first-year report.