



ECONOMIC DEVELOPMENT

GREEN ROOF TAX CREDIT

ELIGIBILITY

The Green Roof Tax Credit is available to business owners constructing an addition to their roof that supports living vegetation and includes a synthetic, high quality waterproof membrane, drainage layer, soil layer and light weight medium plants.

USES

- The applicant may claim a credit against the Business Privilege Tax of twenty-five percent of all costs incurred to construct the Green Roof, provided that the total credit shall not exceed \$100,000.
- The tax credit shall be applied against the applicant's total Business Privilege Tax liability for the Tax Year during which the applicant certifies the completion of the Green Roof.
- Any unused credits may be carried forward until fully used.
- The credit is not refundable and cannot be transferred to any other entity.
- A business may receive only one Green Roof Tax Credit per building, but may receive a credit for each building it owns.

PROVISIONS

After approval, the applicant must execute a commitment agreement with the Revenue Department setting forth the following:

- The plans for the Green Roof, which must provide for a Green Roof covering at least fifty percent of the building's rooftop or seventy-five percent of Eligible Roof Top Space.
- The total projected costs for the construction of the Green Roof.
- The maximum Green Roof Tax Credit the applicant may claim.
- The applicant's commitment to maintain the Green Roof for a period of five years after the date of its completion and the applicant's acknowledgement that it is bound to repay any tax credits taken for failure to abide by terms of the commitment agreement.
- A business seeking the credit for multiple buildings is limited per building to 25% of the actual costs incurred to complete the Green Roof for a given building, subject to the \$100,000 maximum credit per building.

TIMING AND PROCEDURE

- A Building permit for the Green Roof must be issued by the Department of Licenses and Inspections before completing the application and must accompany the application.
- The application must be signed by the Engineer who is attesting to the suitability of the roof for the construction of the Green Roof. A copy of the Engineer's report must accompany the application.
- A separate application must be filed for each building/property for which the credit is being sought.
- The applicant must be willing to maintain the Green Roof for five years from the date of its completion or the Business Privilege Tax credits received must be paid back to the City of Philadelphia.
- The applicant must be in compliance with all Philadelphia tax ordinances, regulations and published policies in order to take the Green Roof credit.