

City of Philadelphia Mayor's Office of Reintegration Services for Ex-offenders (R.I.S.E.)

FOR DEPARTMENT USE ONLY	
Application No.	_____
Date Received	_____
Time Received	_____

EXEMPT ORGANIZATION APPLICATION TO PARTICIPATE IN THE PHILADELPHIA RE-ENTRY EMPLOYMENT PROGRAM (PREP)

Applicant's Name

Organization Address	Philadelphia Address (If different from Organization Address)
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Contact Person (PLEASE PRINT)	Telephone Number
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Federal Employer Identification Number

Date Organization Began in Philadelphia	E-Mail Address
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Type of Organization (check all that apply)

- | | | | |
|------------------------------------|--------------------------|-----------------------------|--------------------------|
| Community and Economic Development | <input type="checkbox"/> | Early Childhood Development | <input type="checkbox"/> |
| Arts and Culture | <input type="checkbox"/> | Community Engagement | <input type="checkbox"/> |
| Housing | <input type="checkbox"/> | Sustainability | <input type="checkbox"/> |
| Education | <input type="checkbox"/> | Other _____ | <input type="checkbox"/> |

Provide organization's mission statement.

Description of past, current, planned or potential programming utilizing ex-offenders as employees.

Certification: To be signed by an authorized organization representative.

I hereby certify that all information contained in this document and attachments are true and correct to the best of my knowledge.

Signature: _____ **Title:** _____

Print Name: _____ **Representing:** _____

Address: _____

Section I – General

A. Introduction

- (1) The Philadelphia Re-Entry Employment Program (PREP) was established for the purpose of securing job creating economic development opportunities for ex-offenders through the expansion of existing businesses and the attraction of economic development prospects for the City of Philadelphia.
- (2) Beginning in tax year 2008, an employer who hires an Ex-offender can elect to claim a PREP tax credit against their Business Privilege Tax. A business could receive up to \$10,000 tax credit each year for three years for each Qualifying Full-time Employee hired for at least six (6) months; up to \$5,000 for each Qualifying Part-time Employee. The maximum amount of tax credit a business may receive for any one Qualifying Full-time Employee over all tax years is \$30,000. The maximum amount of credit a business may receive for any one Qualifying Part-time Employee is \$15,000.
- (3) Beginning in tax year 2010, a business who makes a contribution of at least \$10,000 in a given tax year to a “Qualifying Exempt Organization” may claim a tax credit up to \$7,000 for each “Qualifying Full-Time Employee” or a tax credit up to \$3,500 for each “Qualifying Part-Time Employee” employed by the Qualifying Exempt Organization for at least six (6) months. *A Qualifying Exempt Organization cannot receive a contribution from more than one business for each Qualifying Employee employed by the organization.*
- (4) A “Qualifying Employee” is an Ex-offender who is employed full-time or part-time and certified as a Qualifying Employee by The Mayor’s Office of Re-Integration Services for Ex-Offenders (“R.I.S.E.”). (Refer to Section 19-2604(9)(a)(ii) of the Ordinance for the criteria)

B. Eligibility

In order for a business to be eligible PREP Tax Credits by making a charitable contribution, it must have executed a PREP Tax Credit Agreement with the Revenue Department and be in full compliance with applicable Philadelphia tax laws, ordinances and regulations. In addition, the exempt organization receiving the charitable contribution must have executed a PREP Agreement with R.I.S.E.

Section II – The Application Process

A. Application Submission and Approval Procedure

- (1) The completed application should be returned to R.I.S.E at the address listed on the application.
- (2) In addition to the application, the organization must provide a copy of its IRS 501c3 designation letter, list of current board of directors and most recent financial statement and audit.
- (3) Upon approval of an application, R.I.S.E. will prepare a PREP Agreement which will be mailed to the applicant.
- (4) **Upon acceptance of the conditions listed in the PREP Agreement, the organization must sign the agreement and return it to R.I.S.E. within thirty (30) days of the date of the cover letter.**

- (5) After an organization has executed a PREP Agreement with R.I.S.E., it is eligible to solicit and receive a charitable contribution from a business that has entered into a PREP Tax Credit Agreement with the Department of Revenue. It is also eligible to hire individuals who have been certified by R.I.S.E. as Qualifying Employees.
- (6) **After** an organization has a fully executed Agreement with R.I.S.E. **and** after the organization has received certification from R.I.S.E. for the employment of each Qualifying Employee **and** after the corporate funder has a fully executed Agreement with the Department of Revenue, the corporate funder may then make a request, in writing, to the Department of Revenue for determination of and for issuance of the PREP tax credit. As part of this application the corporate funder must include an award letter indicating the name of the tax exempt organization the charitable contribution is intended for, the amount of the charitable contribution, the name of the specific program the charitable contribution is to fund or if it is for general operating expenses, number of full-time and/or part-time positions anticipated, wages and length of employment; employment verification; and a canceled check, grant report or description of work completed with charitable contribution.

(No business may claim or receive a tax credit unless the business is in full compliance with applicable Philadelphia tax laws, ordinances and regulations.)

Section III – Penalties

- A. **Failure to maintain operations.** A business which receives PREP Tax Credits related to employment of Qualifying Employees or to contributions made to a Qualifying Exempt Organization and either the business or the Qualifying Exempt Organization fails to substantially maintain existing operations, and the operations related to the tax credits, in the City of Philadelphia for a period of five (5) years from the date the business executes a PREP Tax Credit Agreement shall be required to refund to the City of Philadelphia the total amount of credit or credits granted.
- B. **Waiver.** The Department of Revenue may waive the penalties outlined in subsection (A) above if the Department determines that failure to substantially maintain operations was because of circumstances beyond the business' or Qualifying Exempt Organization's control, including natural disasters, acts of terrorism, unforeseen industry trends, loss of a major supplier or market, or unforeseen social or economic trends.

Section IV – Contact

- A. Program inquiries should be directed to:
- R.I.S.E.**
- Phone: (215) 683-3380**
- B. Applications can be accessed on-line at www.phila.gov/RISE and www.phila.gov/Revenue.
- C. PREP Ordinance can be accessed on line at <http://legislation.phila.gov/attachments/10473.pdf>

Mail Completed Application To:

Mayor's Office of Reintegration Services for Ex-offenders

34 S 11th Street, 6th Floor

Philadelphia, PA 19102