



TO: All Honorable Members of the Pennsylvania Senate Finance Committee

FROM: Allison Coccia, Director, Government Affairs

DATE: June 6, 2022

RE: Support: **SB 721** – *CNIT Reduction* as amended A04349

On behalf of the PA Chamber of Business and Industry I urge your support of **Senate Bill 721 as amended (A04349)**, scheduled to be before the Senate Finance Committee today. A substantial reduction of the CNI is a critical component of restoring Pennsylvania's competitiveness and driving economic growth.

Senate Bill 721 - CNI Reduction

Senate Bill 721 would reduce the corporate net income tax by 1 percent annually from 9.99 percent to 6.99 percent each taxable year from 2023 through 2025, remaining at 6.99 percent for the years thereafter.

A04349

Makes technical changes to update taxable years.

At 9.99 percent, Pennsylvania has the unfortunate distinction of having the country's second-highest Corporate Net Income tax, serving as a major red flag to potential investors and putting the Commonwealth at a distinct disadvantage as businesses look to other states to open or expand operations. A substantial reduction in the CNI will lead to increased economic growth, increased wages and lower unemployment while attracting new business and talent to Pennsylvania.

We urge you to vote yes on **Senate Bill 721 as amended (A04349)**. For further discussion, please contact Allison Coccia, Director of Government Affairs, at acoccia@pachamber.org or (518) 265-7429.