

TO: The Honorable Members of the PA Senate Finance Committee

FROM: Neal Leshner, Director, Government Affairs

DATE: March 25, 2025

RE: **PA Chamber Memo: Support SB 207 and SB 473**

On behalf of the PA Chamber of Business and Industry, I urge your support for Senate Bills 207 and 473, which are scheduled for a vote by the committee this week.

SB 207 – Corporate Net Income Tax Rate Reduction

This legislation builds on bipartisan tax reform enacted in 2022 by immediately reducing the Corporate Net Income Tax (CNIT) to 4.00% effective January 1, 2026. Doing so would maximize the benefits of a lower CNIT by immediately lowering the rate. Under current law, the tax rate will gradually be lowered from the current 7.99% to 4.99% in 2031. A lower CNIT won't just generate more overall investment. Studies show economic gains across the board when the CNIT is reduced including increased GDP, higher wages, increased home values and job creation at larger and smaller businesses.

SB 473 – Increasing the Vendor Discount

Prior to 2016, businesses that timely submitted their sales tax collections were able to keep one percent of the total collected to offset the costs incurred by businesses in collecting and remitting sales tax. This offset, known as the vendor discount, was severely limited in 2016 to a maximum of \$300 annually. S.B. 473 would allow businesses to keep one percent on the first one million dollars collected and one-quarter of a percent on any amount above one million dollars. This will provide relief for businesses that have been experiencing increased cost pressures.

For any questions or further discussion, please contact Neal Leshner, Director of Government Affairs, at nlesher@pachamber.org or 717-507-9240.

[Click here](#) to check the PA Chamber Legislative Scorecard.