

City of Philadelphia



(Bill No. 250044-A)

AN ORDINANCE

Amending Chapter 9-800 of The Philadelphia Code, entitled “Landlord and Tenant,” to establish requirements related to security deposits for residential rentals and establishing remedies for violations, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 9-800 of The Philadelphia Code is hereby amended as follows:

CHAPTER 9-800. LANDLORD AND TENANT

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§ 9-802. Definitions.

* * *

(5) Unfair Rental Practice. Any act in violation of Section 9-804 or Section 9-809.

(6) Security Deposit. Money or other consideration provided by a tenant to a landlord to be held for the payment, if necessary, of damage to the leasehold premises and/or default in rent, however styled.

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§ 9-804. Unfair Rental Practices.

* * *

(4) *Security deposits.*

(a) No owner, landlord, agent or other person operating or managing any premises shall charge or otherwise accept a security deposit that exceeds the amounts permitted under 68 P.S. § 250.511a.

(b) Where an owner, landlord, agent or other person operating or managing any premises charges a tenant up to one month’s rent for the security deposit, the full security deposit may be collected as a lump sum. However if the security deposit for the first year of tenancy shall exceed one month’s rent, the owner, landlord, agent or other person operating or managing the premises shall, consistent with the tenant or prospective tenant’s choice, accept

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payment for the security deposit either: (i) as a lump sum; or (ii) in installments with one month's rent paid as a lump sum, and the remainder paid in (3) three equal payments due no more regularly than once a month, starting the month after the initiation of the tenancy. The total amount charged for a security deposit shall be the same, regardless of whether the security deposit is paid as a lump sum or in installments.

(.1) The provision of subsection (b) shall not apply to an owner, landlord, agent or other person operating or managing 2 or fewer rental units. For purposes of this subsection, ownership interests shall be aggregated across all legal entities in which an individual or individuals have a direct or indirect ownership or control interest. Where multiple legal entities are used to hold title to separate properties, such properties shall be considered collectively for the purpose of this exemption if they are owned, operated or managed substantially by the same individuals or entities.

(c) No owner, landlord, agent or other person operating or managing any premises shall unlawfully retain any security deposit, however styled in a lease.

* * *

(15) In an action before a court of competent jurisdiction, a person aggrieved by a violation of Subsection (4) (Security deposits) shall be entitled to actual damages or, in the alternative, if the person aggrieved elects before judgment is rendered, statutory damages equivalent to the value of one month of rent. In addition, the court may award such person reasonable attorney's fees and costs.

SECTION 2. This Ordinance shall be effective 90 days after being adopted into law and shall apply to any residential lease that is executed or renewed after it is adopted into law.

Explanation:

*[Brackets] indicate matter deleted.
Italics indicate new matter added.*

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 12, 2025. The Bill was Signed by the Mayor on September 3, 2025.

A handwritten signature in black ink, reading "Elizabeth McCollum". The signature is fluid and cursive, with the first name "Elizabeth" and last name "McCollum" clearly distinguishable.

Elizabeth McCollum
Chief Clerk of the City Council