



SPONSOR: Rep. Ramone & Rep. Hensley & Sen. Delcollo
Reps. Briggs King, Dukes, Gray, Michael Smith,
Spiegelman, Yearick; Sens. Lawson, Pettyjohn, Wilson

HOUSE OF REPRESENTATIVES
150th GENERAL ASSEMBLY

HOUSE BILL NO. 32

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO DECREASING THE REALTY
TRANSFER TAX.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend § 5402, Title 30 of the Delaware Code by making deletions as shown by strikethrough and
insertions as shown by underline as follows:

§ 5402. Rate of tax; when payable; exception [For application of this section, see 81 Del. Laws, c. 56, § 2]

(a) Every person who makes, executes, delivers, accepts or presents for recording any document, except as defined
or described in § 5401(4) of this title, or in whose behalf any document is made, executed, delivered, accepted or presented
for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax at the rate
of ~~3%~~2% of the value of the property represented by such document, unless the municipality or county where the property
is located has enacted the full 1 1/2 % realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title 9, in which case
~~2-1/2 %~~ 1 1/2%, which tax shall be payable at the time of making, execution, delivery, acceptance or presenting of such
document for recording. Said tax is to be apportioned equally between grantor and grantee.

(b) No tax shall be imposed on conveyances when the actual value of the property being transferred is less than
\$100.

(c) Notwithstanding subsection (a) of this section, where a valid written contract is entered into prior to August 1,
1971, the tax for such a transfer shall be at the rate imposed prior to August 1, 1971.

(d) Every person who makes, executes, delivers, accepts or presents for recording any document defined or
described in § 5401(4) of this title, or in whose behalf any such document is made, executed, delivered, accepted or
presented for recording shall be subject to pay for and in respect to the transaction, or in any part thereof, a realty transfer
tax at the rate of ~~3%~~ 2% of the value of the property represented by such document, unless the municipality or county
where the property is located has enacted the full 1 1/2 % realty transfer tax authorized by § 1601 of Title 22 or § 8102 of
Title 9, in which case ~~2-1/2 %~~ 1 1/2%, which tax shall be payable as follows:

(1) The tax on the consideration attributed to the first year of the term shall be payable at the time of making,
execution, delivery, acceptance or presenting of such document for recording;

23 (2) The tax on the consideration attributed to each successive year of the term thereafter shall be paid annually
24 to the Division of Revenue.

25 (e) There shall be no tax imposed on any document described in § 5401(4) of this title entered into prior to July 7,
26 1973.

27 (f) Notwithstanding subsection (a) of this section, the rate of tax on documents described in § 5401(8) of this title
28 shall be ~~2%~~ 1% on amounts exceeding \$10,000, which shall be borne by the owner of the building whose construction is
29 made subject to tax under § 5401(8) of this title.

30 Section 2. This Act shall apply to any transfer of real estate pursuant to contracts for the sale of real estate entered
31 into after its effective date.

SYNOPSIS

This Act decreases by 1% the rate of realty transfer tax to be received by the State, thereby returning to the rate that was applicable prior to August 1, 2017.