



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:

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

3 § 5402. Rate of tax; when payable; exception [For application of this section, see 81 Del. Laws, c. 56, § 2]

4 (a) Every person who makes, executes, delivers, accepts or presents for recording any document, except as defined  
5 or described in § 5401(4) of this title, or in whose behalf any document is made, executed, delivered, accepted or presented  
6 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  
7 of ~~3%~~2% of the value of the property represented by such document, unless the municipality or county where the property  
8 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  
9 ~~2-1/2 %~~ 1 1/2%, which tax shall be payable at the time of making, execution, delivery, acceptance or presenting of such  
10 document for recording. Said tax is to be apportioned equally between grantor and grantee.

11 (b) No tax shall be imposed on conveyances when the actual value of the property being transferred is less than  
12 \$100.

13 (c) Notwithstanding subsection (a) of this section, where a valid written contract is entered into prior to August 1,  
14 1971, the tax for such a transfer shall be at the rate imposed prior to August 1, 1971.

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

21 (1) The tax on the consideration attributed to the first year of the term shall be payable at the time of making,  
22 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.