

LAWS OF DELAWARE
VOLUME 84
CHAPTER 162
152nd GENERAL ASSEMBLY
FORMERLY
HOUSE BILL NO. 62

AN ACT TO AMEND TITLE 9 OF THE DELAWARE CODE RELATING TO THE ASSESSMENT OF REAL PROPERTY.

WHEREAS, for the first time in decades, each county in Delaware is conducting a general reassessment of all real property within that county; and

WHEREAS, a standard, periodic reassessment of real property creates predictability, keeps assessed values reasonably accurate, and will be cost effective because it enables the use of advanced mass appraisal technologies; and

WHEREAS, the term “true value in money” is archaic and the Delaware Supreme Court has consistently held that the term true value in money “is the same as its fair market value”, *New Castle Cty. Dep’t of Fin. v. Teachers Ins. & Annuity Ass’n*, 669 A.2d 100, 102 (Del. 1995); and

WHEREAS, the Delaware Supreme Court has defined “fair market value”, *Seaford Assocs., L.P. v. Bd. of Assessment Review*, 539 A.2d 1045, 1048 (Del. 1988), and more specifically, has established that under Delaware law, the fair market value of taxable property means its present market value, *Board of Assessment Review v. Stewart*, 378 A.2d 113, 115 (Del. 1977); and

WHEREAS, the requirement to assess taxable property at its present fair market value does not require that a property’s assessed value always perfectly match up with present fair market value, because valuing property requires time and costs money and property values fluctuate, therefore assessed values meet the present fair market value requirement when they fall within a reasonable range of present fair market value, *In re Del. Pub. Sch. Litig.*, 239 A.3d 451, 477-78 (Del. Ch. 2020); and

WHEREAS, under current law in §§ 1321, 4124(b), and 7004(c)(1) of Title 9, each county’s Department of Finance is responsible for property assessment, not the board of assessment for the county.

NOW, THEREFORE:

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

Section 1. Amend § 8306, Title 9 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 8306. Standard of assessment; ~~penalty.~~ frequency of reassessment.

(a) All property subject to assessment shall be assessed at its ~~true value in money.~~ present fair market value.

(b) ~~If any board of assessment, or any member thereof, knowingly and wilfully values or assesses any property upon any other standard than its true value in money, each of the members of the board participating therein shall be fined not more than \$100.~~ (1) All real property must be reassessed by the county in which the real property is located at least once every 5 years.

(2) Each 5-year period under paragraph (b)(1) of this section starts on the date a county board of assessment adopts a certification under § 8314 of this title reflecting the completion of a general reassessment of all real property within that county.

Section 2. Amend § 8307, Title 9 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 8307. Use of local assessment lists.

(a) ~~It shall be lawful for the board of assessment to~~ A county Department of Finance may enter into an agreement with the proper authorities of any city, ~~town~~ town, or municipality to inspect and copy any assessment made for local purposes. If in the opinion of a majority of the Board ~~such that~~ that Department of Finance the local assessment assesses all property at its ~~true value in money,~~ present fair market value, then ~~the that~~ that Department of Finance may adopt such that local assessment as the assessment for county purposes.

Approved August 9, 2023