

LAWS OF DELAWARE
VOLUME 84
CHAPTER 192
152nd GENERAL ASSEMBLY
FORMERLY
SENATE SUBSTITUTE NO. 2
FOR
SENATE BILL NO. 72

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO PERSONAL INCOME TAX.

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

Section 1. Amend § 1109, Title 30 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1109. Itemized deductions.

(a) *General.* —In determining taxable income under this chapter, in lieu of the standard deduction provided by § 1108 of this title, a resident individual may elect to deduct the sum of the itemized deductions claimed on the federal income tax return as shall be permitted under the laws of the United States as the same are or shall become effective for any taxable year in determining the federal taxable income, or, if the person does not itemize deductions or elects the credit for foreign taxes paid on the federal return, the person may deduct the sum of the itemized deductions to which the person would have been entitled had the person itemized the deductions (including the deduction for foreign taxes paid) on the federal ~~return~~: return, as follows:

(1) ~~Reduced by:~~ by all of the following:

a. ~~The amount thereof representing income taxes imposed by this State;~~ State.

b. The amount of any income tax imposed on the person for the taxable year by another state of the United States or a political subdivision thereof or the District of Columbia on income derived from sources therein if the person elected to take such amount as a credit in accordance with § 1111(a) of this ~~title;~~ and title.

(2) ~~Increased by:~~ by all of the following:

a. An amount equal to the excess of the state employee automobile mileage reimbursement allowance over the standard mileage rate allowed as a charitable deduction for federal income tax purposes for unreimbursed automobile transportation expense incurred by an individual while serving as a volunteer for a charitable organization as defined in § 170(c), Internal Revenue Code ~~[26 U.S.C. § 170(e)];~~ and Code, 26 U.S.C. § 170(c).

b. In the case of a self-employed individual, the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse and dependents, less the amount allowed the taxpayer as a deduction pursuant to ~~§ 162(f) (26 U.S.C. § 162(f))~~ 26 U.S.C. § 162(l) or successor provision of the Internal Revenue Code. For purposes of this subparagraph, "self-employed taxpayer" shall mean a resident individual whose gross income is more than one-half derived from a trade, business or profession and not derived as an employee. Income in the nature of interest, dividends or other investment income shall not constitute self-employment income. No self-employed taxpayer whose total cost of insurance for health care for the taxpayer, spouse and dependents exceeds the gross income from the trade, business or profession shall be entitled to the deduction under this ~~subparagraph;~~ paragraph (a)(2)b.

c. For taxable years beginning after December 31, 1986, and before January 1, 1988, an amount equal to 12% of itemized deductions determined under this section without regard to this paragraph (a)(2)c.

d. For tax years beginning on or after January 1, 2024, for a resident individual who is an active member of a labor organization during the tax year, an amount equal to the annual cost to the resident individual to maintain membership in the labor organization, not to exceed \$500, except that an individual is not eligible for the increase under this paragraph (a)(2)d. as follows:

1. If the individual has taken a deduction on their federal income tax return for any cost to maintain membership in a labor organization.

2. To the extent the payments are not deductible under applicable federal law, for any amounts paid to or through a labor organization for any of the following:

A. For employee benefits, pension contributions, or similar benefits or compensation.

B. That were used in connection with lobbying or political expenditures, or settlement or investigatory costs or assessments of a government entity.