



SPONSOR: Sen. Gay & Rep. Schwartzkopf  
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Sokola, Wilson; Reps. Baumbach, Briggs King,  
K. Johnson, Morrison, Osienski

DELAWARE STATE SENATE  
151st GENERAL ASSEMBLY

SENATE BILL NO. 301

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO ORGAN TRANSPLANTATION.

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

Section 1. Amend Title 30 of the Delaware Code by adding a new Chapter 20D and by making deletions as shown by strike through and insertions as shown by underline as follows:

Chapter 20D. Organ and Bone Marrow Transplantation Tax Credit

§ 20D-101. Declaration of purpose.

The purpose of this chapter is to provide incentives for Delawareans to donate organs and bone marrow for transplantation and for Delaware employers to grant paid time off to employees who donate organs and bone marrow for transplantation.

§ 20D-102. Definitions.

For purposes of this chapter:

(1) "Gross wages" means that part of the sum reported on Form W-2, or equivalent form of the United States Department of Treasury, Internal Revenue Service as "Medicare wages and tips" that is attributable to Delaware sources.

(2) "Qualified employer" means an employer located in Delaware which employs a person who donated one or more human organs, or a part thereof, or bone marrow, to another human for human organ transplantation, and who granted that employee paid time off for the purpose of the transplantation, in addition to any other paid time off granted to the person.

§ 20D-103. Tax credit for expenses associated with human organ or bone marrow donation.

(a) A taxpayer is allowed as a credit against the tax imposed by Chapter 11 of this title, an amount not to exceed \$10,000 of unreimbursed expenses specified in subsection (b) if, while living, the taxpayer or a dependent of the taxpayer donates one or more human organs, or a part thereof, or bone marrow, to another human for human organ transplantation.

(b) The tax credit allowed pursuant to this section may be claimed only for reasonable unreimbursed

travel expenses, lodging expenses, lost wages, and medical expenses that are related to the donation and are incurred by the taxpayer in the taxable year.

(c) The tax credit allowed pursuant to this section shall be claimed in the taxable year in which the human organ transplantation occurs, except that any expenses specified in subsection (b) of this section that are incurred in the previous or subsequent taxable year shall be claimed in the taxable year in which the expenses are incurred, but the combined amount deducted shall not exceed \$10,000.

(d) To the extent a taxpayer's tax credits pursuant to this section exceed any amounts otherwise due for the taxes and fees listed under subsection (a) of this section, such unused credits shall be paid to the taxpayer in the nature of tax refunds.

#### § 20D-104. Tax credit for wages paid by qualified employer.

(a) Subject to such return requirements as may be imposed by the State Bank Commissioner, the Insurance Commissioner, or the Secretary of the Department of Finance, qualified employers shall be eligible during the year the organ transplantation occurred for credits against the taxes imposed by the following statutory provisions:

(1) Chapter 11 of Title 5.

(2) Chapter 19 of this title.

(3) Chapter 11 of this title.

(4) Sections 702 and 703 of Title 18.

(b) The amount of the credit against the tax shall equal 25% of the person's gross wages during the time missed from work, for up to 30 days of missed work for each donation.

(c) To the extent a qualified employer's credits exceed any amounts otherwise due for the taxes and fees listed under subsection (a) of this section, such unused credits shall be paid to it in the nature of tax refunds.

#### § 20D-105. Rules and Regulations.

The Director of the Division of Revenue is authorized to promulgate rules and regulations not inconsistent with this chapter and require such facts and information to be reported as the Director deems necessary for administration and enforcement of this chapter. No rule or regulation adopted pursuant to the authority granted by this section shall extend, modify, or conflict with any law of this State or the reasonable implications thereof.

#### SYNOPSIS

The purpose of this chapter is to provide incentives for Delawareans to donate organs and bone marrow for transplantation and for Delaware employers to grant paid time off to employees who donate organs and bone marrow for transplantation. To that end, the Act allows Delaware taxpayers to claim a tax credit of up to \$10,000 of unreimbursed travel expenses, lodging expenses, and lost wages that are related to a donation of an organ or bone marrow by the taxpayer or a dependent of the taxpayer. The Act also gives a tax credit to Delaware employers who provide employees who donate

an organ or bone marrow with paid time off for the purpose of the transplantation, in the amount of 25% of the employee's gross wages during the time missed from work, for a period of 30 days of missed work for each donation.

Author: Senator Gay