SPONSOR: Rep. Longhurst & Sen. Townsend & Sen. Sokola &
Sen. Lockman & Sen. Hocker & Sen. Pettyjohn &
Rep. Schwartzkopf & Rep. Minor-Brown & Rep. Ramone
& Rep. Yearick
Reps. Baumbach, Briggs King, Collins, Dorsey Walker,
Harris, Heffernan, Hilovsky, Lambert, D. Short,
Michael Smith, Spiegelman; Sens. Hoffner, Lawson,
S. McBride, Richardson, Walsh

HOUSE OF REPRESENTATIVES
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 25

AN ACT TO DECLARE THE 2022 DELAWARE RELIEF REBATES AS QUALIFIED DISASTER PAYMENTS.

WHEREAS, in response to COVID-19, a nationwide emergency was declared by Donald J. Trump, President of the United States, on March 13, 2020, pursuant to the federal Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. § 5121 et seq.], and is still in effect; and

WHEREAS, a federal major disaster declaration for Delaware was approved on April 5, 2020; and

WHEREAS, as a federal declared disaster, the COVID-19 pandemic is considered a qualified disaster for purposes of § 139 of the Internal Revenue Code [26 U.S.C. § 139]; and

WHEREAS, under § 139 of the Internal Revenue Code [26 U.S.C. § 139] and for federal individual income tax purposes, an amount received by an individual in connection with the COVID-19 pandemic may qualify as a disaster relief payment that is excluded from the recipient's gross income; and

WHEREAS, House Bill No. 360, as amended by House Amendment No. 1, of the 151st Session of the General Assembly was enacted on April 14, 2022, and is known as the “2022 Delaware Relief Rebate Program” or, the “Act”; and

WHEREAS, to reimburse or pay for reasonable and necessary personal, family, living, or funeral expenses incurred as a result of the COVID-19 pandemic or, in connection with the COVID-19 pandemic, in order to promote the general welfare, the Act provided for specific and immediate economic relief in the form of a rebate to the residents of the State of Delaware; and

WHEREAS, the Legislature desires to declare its intention that the relief rebates issued under 2022 Delaware Relief Rebate Program during the period that the federal major disaster declaration exists for the State of Delaware are to be considered qualified disaster relief payments under the Internal Revenue Code.

NOW, THEREFORE:

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

Section 1. The General Assembly declares that a relief rebate issued to or for the benefit of an individual under the 2022 Delaware Relief Rebate Program during the period that the federal major disaster declaration exists for the State of Delaware is an amount paid to reimburse or pay for reasonable and necessary personal, family, living, or funeral expenses incurred as a result of the COVID-19 pandemic, or is an amount paid in connection with the COVID-19 pandemic in order to promote the general welfare. Accordingly, a relief rebate issued to or for the benefit of an individual under the 2022 Delaware Relief Rebate Program during the period that the federal major disaster declaration exists for the State of Delaware is intended to be a qualified disaster relief payment under § 139 of the Internal Revenue Code [26 U.S.C. § 139].

Section 2. Limitations.

Notwithstanding anything to the contrary set forth in Section 1, the State makes no representations or warranties regarding whether the receipt of a relief rebate issued during the period that the federal major disaster declaration exists for the State should be included in a taxpayer's gross taxable income for federal income tax purposes. Notwithstanding any law of this State to the contrary, no claim or cause of action shall arise, and no judgment, damages, penalties, costs or other money entitlement shall be awarded or assessed against the State, in any civil suit or proceeding at law or in equity, where the act or omission complained of arose out of and in connection with this legislation.

Section 3. This legislation is effective on the date of enactment of the legislation codified at 83 Del. Laws, c. 290, formerly House Bill No. 360, as amended by House Amendment No. 1, of the 151st Session of the General Assembly.

Ssynopsis

This legislation establishes that a relief rebate issued under the 2022 Delaware Relief Rebate Program during the period that the federal major disaster declaration exists for the State of Delaware is intended to be a qualified disaster relief payment under § 139 of the Internal Revenue Code. It further provides that the State makes no representations or warranties to recipients regarding the 2022 Delaware Relief Rebate Program and that civil actions of any nature and claims for any form of economic entitlement including but not limited to damages are prohibited with respect to this legislation. This legislation is effective as of the date on which the 2022 Delaware Relief Rebate Program was enacted.