



SPONSOR: Sen. Poore & Sen. Walsh & Rep. Longhurst &  
Rep. K. Williams  
Sens. Gay, Lockman, Mantzavinos, S. McBride,  
Sturgeon, Townsend; Reps. Lynn, Morrison

DELAWARE STATE SENATE  
152nd GENERAL ASSEMBLY

SENATE SUBSTITUTE NO. 1  
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:

1           Section 1. Amend Chapter 11, Title 30 of the Delaware Code by making deletions as shown by strike through and  
2           insertions as shown by underline as follows and by redesignating accordingly:

3           § 1109. Itemized deductions [For application of this section, see 66 Del. Laws, c. 86, § 8].

4           (a) General. — In determining taxable income under this chapter, in lieu of the standard deduction provided by §  
5           1108 of this title, a resident individual may elect to deduct the sum of the itemized deductions claimed on the federal  
6           income tax return as shall be permitted under the laws of the United States as the same are or shall become effective for any  
7           taxable year in determining the federal taxable income, or, if the person does not itemize deductions or elects the credit for  
8           foreign taxes paid on the federal return, the person may deduct the sum of the itemized deductions to which the person  
9           would have been entitled had the person itemized the deductions (including the deduction for foreign taxes paid) on the  
10          federal return:

11                   (1) Reduced by:

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

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

17                   (2) Increased by:

18                           a. An amount equal to the excess of the state employee automobile mileage reimbursement  
19                   allowance over the standard mileage rate allowed as a charitable deduction for federal income tax  
20                   purposes for unreimbursed automobile transportation expense incurred by an individual while serving as

21 a volunteer for a charitable organization as defined in § 170(c), Internal Revenue Code [26 U.S.C. §  
22 170(c)]; and

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

32 c. For taxable years beginning after December 31, 1986, and before January 1, 1988, an amount  
33 equal to 12% of itemized deductions determined under this section without regard to this subparagraph.

34 d. In the case of a resident individual who is an active member of a labor organization during the  
35 tax year, an amount equal to the annual cost to the resident individual to maintain membership in the  
36 labor organization, not to exceed \$500. For purposes of this subparagraph, "labor organization" means the  
37 same as defined in § 710 of Title 19.

38 Section 2. This Act takes effect for tax years beginning on January 1, 2024.

#### SYNOPSIS

This Act is a substitute for Senate Bill No. 72. Senate Bill No. 72 would have provided Delaware residents who are active members of a labor organization to claim a tax credit equal to the annual cost of maintaining their membership in the labor organization, not to exceed \$500. This Act differs from Senate Bill No. 72 by providing that members of a labor organization may claim a tax deduction for their expenses, rather than a tax credit.

Author: Senator Poore