



SPONSOR: Rep. Yearick & Sen. Buckson
Reps. Gray, Matthews, D. Short; Sens. Hocker, Wilson

HOUSE OF REPRESENTATIVES
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 343

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO DECREASING THE STATE'S
REALTY TRANSFER TAX RATE OF TAXATION.

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

Section 1. Amend § 5402, Title 30 of the Delaware Code by making deletions as shown by strike through and
insertions as shown by underline as follows:

§ 5402. Rate of tax; when payable; exception [For application of this section, see 81 Del. Laws, c. 56, § 2 and 81
Del. C. 384, § 3].

(a)(1) Every person who makes, executes, delivers, accepts or presents for recording any document, except as
defined or described in § 5401(5) of this title, or in whose behalf any document is made, executed, delivered, accepted or
presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax
at the rate of 3 percent of the value of the property represented by such document, unless the municipality or county where
the property is located has enacted the full 1½ percent realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title
9, in which case 2½ percent, which tax shall be payable at the time of making, execution, delivery, acceptance or presenting
of such document for recording. Said tax is to be apportioned equally between grantor and grantee.

(a)(2) For every residential property conveyance having a property value less than \$500,000, or every commercial
property conveyance having a property value less than \$1,000,000, every person who makes, executes, delivers, accepts or
presents for recording any document except as defined or described in § 5401(5) of this title, or in whose behalf any
document is made, executed, delivered, accepted or presented for recording shall be subject to pay for and in respect to the
transaction, or any part thereof, a realty transfer tax at the rate of 2.75 percent of the value of the property represented by
such document, unless the municipality or county where the property is located has enacted the full 1 ½ percent realty
transfer tax authorized by § 1601 of Title 22 or § 8102 of Title 9, in which case 2.25 percent, which tax shall be payable at
the time of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be
apportioned equally between grantor and grantee.

Section 2. Amend § 5402, Title 30 of the Delaware Code by making deletions as shown by strike through and
insertions as shown by underline as follows:

§ 5402. Rate of tax; when payable; exception [For application of this section, see 81 Del. Laws, c. 56, § 2 and 81 Del. C. 384, § 3].

(a)(1) Every person who makes, executes, delivers, accepts or presents for recording any document, except as defined or described in § 5401(5) of this title, or in whose behalf any document is made, executed, delivered, accepted or presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax at the rate of 3 percent of the value of the property represented by such document, unless the municipality or county where the property is located has enacted the full 1½ percent realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title 9, in which case 2.25 percent, which tax shall be payable at the time of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be apportioned equally between grantor and grantee.

(a)(2) For every residential property conveyance having a property value less than \$500,000, or every commercial property conveyance having a property value less than \$1,000,000, every person who makes, executes, delivers, accepts or presents for recording any document except as defined or described in § 5401(5) of this title, or in whose behalf any document is made, executed, delivered, accepted or presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax at the rate of 2.50 percent of the value of the property represented by such document, unless the municipality or county where the property is located has enacted the full 1 ½ percent realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title 9, in which case 2.0 percent, which tax shall be payable at the time of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be apportioned equally between grantor and grantee.

Section 3. Amend § 5402, Title 30 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 5402. Rate of tax; when payable; exception [For application of this section, see 81 Del. Laws, c. 56, § 2 and 81 Del. C. 384, § 3].

(a)(1) Every person who makes, executes, delivers, accepts or presents for recording any document, except as defined or described in § 5401(5) of this title, or in whose behalf any document is made, executed, delivered, accepted or presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax at the rate of 3 percent of the value of the property represented by such document, unless the municipality or county where the property is located has enacted the full 1½ percent realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title 9, in which case 2 1/2 percent, which tax shall be payable at the time of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be apportioned equally between grantor and grantee.

(a)(2) For every residential property conveyance having a property value less than \$500,000, or every commercial property conveyance having a property value less than \$1,000,000, every person who makes, executes, delivers, accepts or presents for recording any document except as defined or described in § 5401(5) of this title, or in whose behalf any document is made, executed, delivered, accepted or presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax at the rate of 2.25 percent of the value of the property represented by such document, unless the municipality or county where the property is located has enacted the full 1 ½ percent realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title 9, in which case 1.75 percent, which tax shall be payable at the time of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be apportioned equally between grantor and grantee.

Section 4. Amend § 5402, Title 30 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 5402. Rate of tax; when payable; exception [For application of this section, see 81 Del. Laws, c. 56, § 2 and 81 Del. C. 384, § 3].

(a)(1) Every person who makes, executes, delivers, accepts or presents for recording any document, except as defined or described in § 5401(5) of this title, or in whose behalf any document is made, executed, delivered, accepted or presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax at the rate of 3 percent of the value of the property represented by such document, unless the municipality or county where the property is located has enacted the full 1½ percent realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title 9, in which case 2 1/2 percent, which tax shall be payable at the time of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be apportioned equally between grantor and grantee.

(a)(2) For every residential property conveyance having a property value less than \$500,000, or every commercial property conveyance having a property value less than \$1,000,000, every person who makes, executes, delivers, accepts or presents for recording any document except as defined or described in § 5401(5) of this title, or in whose behalf any document is made, executed, delivered, accepted or presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax at the rate of 2 percent of the value of the property represented by such document, unless the municipality or county where the property is located has enacted the full 1 ½ percent realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title 9, in which case 1.5 percent, which tax shall be payable at the time of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be apportioned equally between grantor and grantee.

Section 5. Section 1 of this Act shall become effective January 1, 2025.

- 82 Section 2 of this Act shall become effective January 1, 2026.
- 83 Section 3 of this Act shall become effective January 1, 2027.
- 84 Section 4 of this Act shall become effective January 1, 2028.

SYNOPSIS

This Act reduces the State's rate of realty transfer tax by .25% per year for 4 years, for residential property conveyances having a property value less than \$500,000, and for commercial property conveyances having a property value less than \$1,000,000, starting January 1, 2025. After January 1, 2028, the State's realty transfer tax rate will be the same rate as it was prior to August 1, 2017 for these conveyances.