



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:

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

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

5 (a)(1) Every person who makes, executes, delivers, accepts or presents for recording any document, except as
6 defined or described in § 5401(5) of this title, or in whose behalf any document is made, executed, delivered, accepted or
7 presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax
8 at the rate of 3 percent of the value of the property represented by such document, unless the municipality or county where
9 the property is located has enacted the full 1½ percent realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title
10 9, in which case 2½ percent, which tax shall be payable at the time of making, execution, delivery, acceptance or presenting
11 of such document for recording. Said tax is to be apportioned equally between grantor and grantee.

12 (a)(2) For every residential property conveyance having a property value less than \$500,000, or every commercial
13 property conveyance having a property value less than \$1,000,000, every person who makes, executes, delivers, accepts or
14 presents for recording any document except as defined or described in § 5401(5) of this title, or in whose behalf any
15 document is made, executed, delivered, accepted or presented for recording shall be subject to pay for and in respect to the
16 transaction, or any part thereof, a realty transfer tax at the rate of 2.75 percent of the value of the property represented by
17 such document, unless the municipality or county where the property is located has enacted the full 1 ½ percent realty
18 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
19 the time of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be
20 apportioned equally between grantor and grantee.

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

23 § 5402. Rate of tax; when payable; exception [For application of this section, see 81 Del. Laws, c. 56, § 2 and 81
24 Del. C. 384, § 3].

25 (a)(1) Every person who makes, executes, delivers, accepts or presents for recording any document, except as
26 defined or described in § 5401(5) of this title, or in whose behalf any document is made, executed, delivered, accepted or
27 presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax
28 at the rate of 3 percent of the value of the property represented by such document, unless the municipality or county where
29 the property is located has enacted the full 1½ percent realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title
30 9, in which case 2.25 percent, which tax shall be payable at the time of making, execution, delivery, acceptance or
31 presenting of such document for recording. Said tax is to be apportioned equally between grantor and grantee.

32 (a)(2) For every residential property conveyance having a property value less than \$500,000, or every commercial
33 property conveyance having a property value less than \$1,000,000, every person who makes, executes, delivers, accepts or
34 presents for recording any document except as defined or described in § 5401(5) of this title, or in whose behalf any
35 document is made, executed, delivered, accepted or presented for recording shall be subject to pay for and in respect to the
36 transaction, or any part thereof, a realty transfer tax at the rate of 2.50 percent of the value of the property represented by
37 such document, unless the municipality or county where the property is located has enacted the full 1 ½ percent realty
38 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
39 the time of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be
40 apportioned equally between grantor and grantee.

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

43 § 5402. Rate of tax; when payable; exception [For application of this section, see 81 Del. Laws, c. 56, § 2 and 81
44 Del. C. 384, § 3].

45 (a)(1) Every person who makes, executes, delivers, accepts or presents for recording any document, except as
46 defined or described in § 5401(5) of this title, or in whose behalf any document is made, executed, delivered, accepted or
47 presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax
48 at the rate of 3 percent of the value of the property represented by such document, unless the municipality or county where
49 the property is located has enacted the full 1½ percent realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title
50 9, in which case 2 1/2 percent, which tax shall be payable at the time of making, execution, delivery, acceptance or
51 presenting of such document for recording. Said tax is to be apportioned equally between grantor and grantee.

52 (a)(2) For every residential property conveyance having a property value less than \$500,000, or every commercial
53 property conveyance having a property value less than \$1,000,000, every person who makes, executes, delivers, accepts or
54 presents for recording any document except as defined or described in § 5401(5) of this title, or in whose behalf any
55 document is made, executed, delivered, accepted or presented for recording shall be subject to pay for and in respect to the
56 transaction, or any part thereof, a realty transfer tax at the rate of 2.25 percent of the value of the property represented by
57 such document, unless the municipality or county where the property is located has enacted the full 1 ½ percent realty
58 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
59 the time of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be
60 apportioned equally between grantor and grantee.

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

63 § 5402. Rate of tax; when payable; exception [For application of this section, see 81 Del. Laws, c. 56, § 2 and 81
64 Del. C. 384, § 3].

65 (a)(1) Every person who makes, executes, delivers, accepts or presents for recording any document, except as
66 defined or described in § 5401(5) of this title, or in whose behalf any document is made, executed, delivered, accepted or
67 presented for recording shall be subject to pay for and in respect to the transaction, or any part thereof, a realty transfer tax
68 at the rate of 3 percent of the value of the property represented by such document, unless the municipality or county where
69 the property is located has enacted the full 1½ percent realty transfer tax authorized by § 1601 of Title 22 or § 8102 of Title
70 9, in which case 2 1/2 percent, which tax shall be payable at the time of making, execution, delivery, acceptance or
71 presenting of such document for recording. Said tax is to be apportioned equally between grantor and grantee.

72 (a)(2) For every residential property conveyance having a property value less than \$500,000, or every commercial
73 property conveyance having a property value less than \$1,000,000, every person who makes, executes, delivers, accepts or
74 presents for recording any document except as defined or described in § 5401(5) of this title, or in whose behalf any
75 document is made, executed, delivered, accepted or presented for recording shall be subject to pay for and in respect to the
76 transaction, or any part thereof, a realty transfer tax at the rate of 2 percent of the value of the property represented by such
77 document, unless the municipality or county where the property is located has enacted the full 1 ½ percent realty transfer
78 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
79 of making, execution, delivery, acceptance or presenting of such document for recording. Said tax is to be apportioned
80 equally between grantor and grantee.

81 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.