



SPONSOR: Rep. Baumbach & Rep. Yearick & Sen. Sokola & Sen. Pettyjohn  
Reps. Bentz, Brady, Briggs King, Chukwuocha, Dorsey Walker, Dukes, Gray, Q. Johnson, Lynn, Mitchell, Osienski, Ramone, D. Short, Spiegelman, Viola; Sens. Bonini, Cloutier, Delcollo, Hocker, Lawson, Lopez, Paradee, Townsend, Wilson

HOUSE OF REPRESENTATIVES  
150th GENERAL ASSEMBLY

HOUSE BILL NO. 49

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO EARNED INCOME TAX CREDIT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Three-fifths of all members elected to each house thereof concurring therein):

1           Section 1. Amend § 1117, Title 30 of the Delaware Code by making deletions as shown by strike through and  
2     insertions shown by underline as follows:

3           § 1117 Earned income tax credit.

4           (a)(1) ~~For any tax year prior to 2020, an~~ individual who is a resident of this State shall be entitled to a  
5     nonrefundable credit against the individual's tax otherwise due under this chapter in the amount of 20% of the  
6     corresponding federal earned income credit allowed pursuant to § 32 or successor provision of the Internal Revenue Code  
7     [26 U.S.C. § 32].

8           (2) For tax year 2020 and thereafter, an individual who is a resident of this State shall be entitled to a credit  
9     against the individual's tax under this chapter in an amount of 5.9 percent of the corresponding federal earned income  
10    tax credit allowed pursuant to Section 32 or successor provision of the Internal Revenue Code [26 U.S.C. § 32].

11          (eb) In no event shall the credit allowed under paragraph (1) of subsection (a) of this section exceed the tax  
12     otherwise due under this chapter. However, the credit allowed under paragraph (2) of subsection (a) of this section may  
13     exceed the tax otherwise due under this chapter.

SYNOPSIS

This bill changes the earned income tax credit from nonrefundable to refundable. For tax year 2020 and thereafter, the rate of the credit is in the amount of 5.9 %.