



SPONSOR: Rep. Yearick & Sen. Pettyjohn
Reps. Briggs King, Gray, Michael Smith, Vanderwende;
Sen. Wilson

HOUSE OF REPRESENTATIVES
151st GENERAL ASSEMBLY

HOUSE BILL NO. 158

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO PERSONAL INCOME TAX CREDITS.

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

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

3 § 1117. Delaware Resident Low Income Tax Credit

4 (a) A resident individual with at least \$18,000 per year and not exceeding \$30,000 of income from wages, tips,
5 other compensation on their Form(s) W-2 shall be allowed a refundable credit of \$500 against the tax imposed by Chapter
6 11 of this Title.

7 (b) In the case of spouses who file a joint Delaware return with at least \$36,000 per year and not exceeding
8 \$60,000 of income from wages, tips, other compensation on their Form(s) W-2, shall be allowed a \$1,000 refundable credit
9 against the tax imposed by Chapter 11 of this Title.

10 (c) In the case of spouses who file a joint federal return but elect to determine their Delaware taxes separately, and
11 provided that each spouse has at least \$18,000 and does not exceed \$30,000 from wages, tips, other compensation on their
12 Form(s) W-2, shall each be allowed a \$500 refundable credit against the tax imposed by Chapter 11 of this Title.

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

15 § 1110. Personal exemptions and credits.

16 (a) For tax years ending before January 1, 1996, a resident shall be allowed an exemption of \$1,250 for each
17 exemption to which that resident is entitled for the taxable year for federal income tax purposes. Resident persons age 60 or
18 over shall be allowed one additional personal exemption.

19 (b) For tax years beginning after December 31, 1995 ~~2021~~, resident individuals not qualifying for a credit under
20 § 1110A of this chapter, shall be allowed a personal credit against the individual's tax otherwise due under this chapter in
21 the amount of:

22 (1) \$110 for each personal exemption to which such individual is entitled for the taxable year for federal income
23 tax purposes; plus

24 (2) An additional \$110 in the case of each resident person age 60 or over.

25 (c) In no event shall the credit allowed under subsection (b) of this section exceed the tax otherwise due under this
26 chapter.

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

29 § 1110A. Personal credits, low income.

30 (a) For tax years beginning after December 31, 2021, resident individuals qualifying under § 1119 of this chapter,
31 shall be allowed a personal credit against the individual's tax otherwise due under this chapter in the amount of:

32 (1) \$500 for each personal exemption to which such individual is entitled for the taxable year for federal
33 income tax purposes; plus

34 (b) If the credit allowable under this section exceeds the tax otherwise due under this chapter, such credit amounts
35 in excess of the tax otherwise due under this chapter must be returned to the taxpayer in the form of a tax refund.

36 Section 4. This Act shall be effective for tax years beginning after December 31, 2021.

SYNOPSIS

This Act creates a \$500 tax credit applicable to individual personal income taxes for certain lower income, working poor, individuals. In the case of spouses filing a joint return, the tax credit is \$1,000. If spouses file their Delaware taxes separately, each spouse with the required income will be entitled to a \$500 tax credit.

Additionally, for certain qualifying lower income, working poor, individuals the current personal tax credit allowed under § 1110 of Title 30 of the Delaware Code of \$110 is being increased to \$500.

This personal credit is refundable.