



SPONSOR: Rep. Kowalko & Rep. Baumbach & Sen. Sokola  
Reps. Osienski, Wilson-Anton; Sen. Lockman

HOUSE OF REPRESENTATIVES  
151st GENERAL ASSEMBLY

HOUSE BILL NO. 256

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 § 1102, Title 30 of the Delaware Code by making deletions as shown by strike through and  
2 insertions as shown by underline as follows:

3 § 1102. Imposition and rate of tax; separate tax on lump-sum distributions.

4 (a)(14) For taxable years beginning after December 31, 2013, and before January 1, 2022, the amount of tax shall  
5 be determined as follows:

6 2.2% of taxable income in excess of \$2,000 but not in excess of \$5,000;

7 3.9% of taxable income in excess of \$5,000 but not in excess of \$10,000;

8 4.8% of taxable income in excess of \$10,000 but not in excess of \$20,000;

9 5.2% of taxable income in excess of \$20,000 but not in excess of \$25,000;

10 5.55% of taxable income in excess of \$25,000 but not in excess of \$60,000; and

11 6.6% of taxable income in excess of \$60,000.

12 (15) For taxable years beginning after December 31, 2021, the amount of tax shall be determined as follows:

13 2.0% of taxable income in excess of \$2,000 but not in excess of \$5,000;

14 4.0% of taxable income in excess of \$5,000 but not in excess of \$20,000;

15 5.5% of taxable income in excess of \$20,000 but not in excess of \$60,000;

16 6.6% of taxable income in excess of \$60,000 but not in excess of \$125,000;

17 6.75% of taxable income in excess of \$125,000 but not in excess of \$250,000;

18 6.95% of taxable income in excess of \$250,000.

SYNOPSIS

This Act adjusts the existing tax brackets and the tax rate for each bracket, combining some existing brackets and creating 2 new brackets. The 2 new brackets are taxed at the highest rates, but by combining some existing brackets, this Act also slightly increases or decreases the tax rate for some incomes. Under current law, taxable income in excess of \$60,000 is taxed at a rate of 6.6%. Under this Act, for taxable years beginning after December 31, 2020, income between \$60,000 and \$125,000 will continue to be taxed at a rate of 6.6%, but income above \$125,000 will be taxed as follows:

1. In excess of \$125,000 but not in excess of \$250,000, at 6.75%.
2. In excess of \$250,000, at 6.95%