



SPONSOR: Rep. Collins & Sen. Lawson
Reps. Briggs King, Gray, Morris, D. Short, Shupe,
Vanderwende; Sens. Hocker, Pettyjohn, Wilson

HOUSE OF REPRESENTATIVES
151st GENERAL ASSEMBLY

HOUSE BILL NO. 278

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

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 (e) Where the rates of tax prescribed in subsection (a) of this section are changed during a taxable year, the
5 Secretary of Finance shall prescribe such rules and regulations as are necessary to compute the increase in rates of tax on
6 the proportion of income earned subsequent to the effective date of change in rate.

7 (f) Notwithstanding any other provision of law, each tax bracket established by subsection (a) of this section shall
8 annually be adjusted by an amount equal to the change in the Consumer Price Index prepared by the Bureau of Labor
9 Statistics, U. S. Department of Labor for urban consumers, all items, for the 12-month time period ending June 30, of the
10 immediately preceding tax year.

11 Section 2. This Act shall become effective for tax years beginning after December 31, 2022.

SYNOPSIS

This Act requires personal income tax brackets to be annually adjusted for cost-of-living increases. This will prevent tax increases due to "bracket creep" caused by cost-of-living raises given to workers.

This Act will be effective for tax years beginning after December 31, 2022.