



SPONSOR: Rep. Briggs King & Sen. Bonini & Sen. Brown  
Reps. Gray, Ramone, Michael Smith, Vanderwende

HOUSE OF REPRESENTATIVES  
151st GENERAL ASSEMBLY

HOUSE BILL NO. 298

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO REALTY TRANSFER TAX.

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 (c)(1) Notwithstanding subsection (a) of this section, for any first-time home buyer who enters into a transaction,  
6 on or after August 1, 2017, who would otherwise be subject to the rate of tax set forth in subsection (a) of this section, that  
7 portion of the realty transfer tax payable by the first-time home buyer shall be reduced by an amount equal to ½ percent  
8 multiplied by the lesser of the value of the property or \$400,000. The first-time home buyer reduction set forth in this  
9 subsection shall apply to the grantee's portion of the realty transfer tax as defined in subsection (a) and shall not relieve the  
10 grantor from payment of the grantor's portion of the realty transfer tax as defined in subsection (a).

11 (c)(2) Notwithstanding subsection (a) of this section, any senior Delaware resident age 65 or older, who has  
12 resided in Delaware for at least 10 consecutive years prior to the date they enter into a contract to sell their primary  
13 Delaware residence and such contract is entered into after the effective date of this Act, who would otherwise be subject to  
14 the rate of tax set forth in subsection (a) of this section, that portion of the realty transfer tax payable by the senior Delaware  
15 resident seller shall be reduced by an amount equal to ½ percent multiplied by the lesser of the value of the property being  
16 sold, or \$400,000. The senior Delaware resident seller reduction set forth in this subsection shall apply to the grantor's  
17 portion of the realty transfer tax as defined in subsection (a) of this section and shall not relieve the grantee from payment  
18 of the grantee's portion of the realty transfer tax as defined in subsection (a) of this section, provided however, the grantee  
19 who qualifies under subsection (b) of this section shall be entitled to any reduction allowed by subsection (b) of this  
20 section.

SYNOPSIS

This Act authorizes a reduction in the realty transfer tax for senior Delaware residents who have resided in Delaware for at least 10 consecutive years prior to entering into a transaction to sell their primary Delaware residence. This reduction only applies to an amount equal to 1/2 percent multiplied by the lesser of the value of the property, or \$400,000.

This reduction is modeled after the first-time home buyer reduction previously authorized for purchasers.