



**151st GENERAL ASSEMBLY  
FISCAL NOTE**

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<b>BILL:</b>	<b>HOUSE BILL NO. 191</b>
<b>AS AMENDED BY:</b>	<b>HA 1</b>
<b>SPONSOR:</b>	<b>Representative Collins</b>
<b>DESCRIPTION:</b>	<b>AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO LOWERING CERTAIN TAX RATES.</b>

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**Assumptions:**

1. Section 1 of this Act which reduces personal income tax rates becomes effective upon enactment. Section 2 of this Act which reduces the corporate income tax rate becomes effective January 1 of the taxable year beginning after the implementation of the third phase of the Department of Finance's revenue information system. Sections 3-15 of this Act which reduces the gross receipts tax rates become effective January 1, 2022.
2. This Act reduces the personal income tax rates for all taxable years beginning after December 31, 2021, as follows:
  - a. For taxable income in excess of \$2,000, but not in excess of \$5,000, from 2.2% to 1.98%.
  - b. For taxable income in excess of \$5,000, but not in excess of \$10,000, from 3.9% to 3.51%.
  - c. For taxable income in excess of \$10,000, but not in excess of \$20,000, from 4.8% to 4.32%.
  - d. For taxable income in excess of \$20,000, but not in excess of \$25,000, from 5.2% to 4.68%.
  - e. For taxable income in excess of \$25,000, but not in excess of \$60,000, from 5.55% to 4.99%.
  - f. For taxable income in excess of \$60,000, from 6.6% to 5.94%.
3. This Act reduces the corporation income tax rate from 8.7% to 6.1%.
4. This Act reduces the gross receipts tax rates as follows:
  - a. Contractor license fees from 0.6472% to 0.3236%.
  - b. Manufacturer license fees from 0.126% to 0.063%.
  - c. Clean energy technology device manufacturer license fees from 0.0945% to 0.04725%.
  - d. Automobile manufacturer license fees from 0.0945% to 0.04725%.
  - e. Wholesaler license fees from 0.3983% to 0.19915%.
  - f. Petroleum product products from 0.2489% to 0.12445%.
  - g. Food processor license fees from 0.1991% to 0.09955%.
  - h. Commercial feed dealers license fees from 0.0996% to 0.0498%.
  - i. Retailer and transient retailer license fees from 0.7468% to 0.3734%.
  - j. Restaurant retailer license fees from 0.6472% to 0.3236%.
  - k. Farm machinery retailer license fees from 0.996% to 0.0498%
  - l. Grocery store retailer license fees from 0.3267% to 0.16335%.
  - m. Occupational, Professional and General Service from 0.3983% to 0.1992%.

**Estimated General Fund Revenue Loss:**

Fiscal Year 2022: \$101.9 million

Fiscal Year 2023: \$282.1 million

Fiscal Year 2024: \$321.7 million

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Office of the Controller General