



**151st GENERAL ASSEMBLY
FISCAL NOTE**

BILL:	HOUSE BILL NO. 285
SPONSOR:	Representative Osienski
DESCRIPTION:	AN ACT TO AMEND TITLES 19, 29 AND 30 OF THE DELAWARE CODE RELATING TO COVID-19 RELATED UNEMPLOYMENT BENEFITS, ASSESSMENTS AND RULEMAKING AUTHORITY.

Assumptions:

1. This bill becomes effective upon signature by the Governor.
2. This bill provides for the following:
 - a. Exempts unemployment compensation benefits received in calendar year 2021 from the calculation of adjusted gross income for Delaware personal income tax.
 - b. Establishes the computation of the employer assessment rate, average industry assessment rate, and construction industry assessment rate for calendar year 2022 at the same rate as 2020.
 - c. Reduces the assessment rate for merit-rated employers to their lowest calculated rate for 2020, 2021, or 2022. This reduction does not apply to those employers paying the delinquent assessment rate.
 - d. Sets the taxable wage base for 2022 at \$14,500.
3. The Department of Finance estimates the exemption of calendar year 2021 unemployment benefits (approximately \$466 million paid in 2021) from state taxation will result in a General Fund revenue loss of \$18.9 million in the current fiscal year and \$6.3 million in Fiscal Year 2023.

Cost:

	General Fund Revenue Loss
Fiscal Year 2022:	\$18,900,000
Fiscal Year 2023:	\$ 6,300,000
Fiscal Year 2024:	N/A

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Office of the Controller General