



**151st GENERAL ASSEMBLY
FISCAL NOTE**

BILL:	HOUSE BILL NO. 393
SPONSOR:	Representative Collins
DESCRIPTION:	AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE ESTABLISHING A \$280 TAX CREDIT FOR DELAWARE RESIDENTS WITH DELAWARE TAXABLE INCOME THAT DOES NOT EXCEED \$35,000 FOR THE 2022 TAX YEAR.

Assumptions:

1. This Act is effective upon the signature of the Governor. The provisions of the Act are effective for tax years beginning after December 31, 2021, and sunset December 31, 2022.
2. This Act creates a \$280 non-refundable tax credit for resident individuals with \$35,000 or less of taxable income in 2022.
3. Based on 2020 data from the Department of Finance, there were 139,186 non-joint returns reporting less than \$35,000 in taxable income with a positive tax liability. These taxpayers would receive credits in the amount of \$32.4 million.
4. This Act does not specify whether the limitation for joint returns is \$35,000 or \$70,000 of taxable income. For purposes of this analysis, if the \$70,000 taxable income for joint filers were applied, there would be an additional 28,515 returns eligible for these credits, totaling \$13.5 million in credits that could be claimed.

Estimated General Fund Revenue Loss:

Fiscal Year 2023: \$35.4 million - \$45.9 million
Fiscal Year 2024: \$0
Fiscal Year 2025: \$0

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