152nd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 42**
SPONSOR:	**Representative Michael Smith**
DESCRIPTION:	**AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO LIMITATION ON PUBLIC SCHOOLS' TAX RATE AFTER GENERAL REASSESSMENT.**

Assumptions:

1. This Act becomes effective upon signature by the Governor.

2. This Act removes the up to 10% increase in actual revenue collected in school property taxes allowed after reassessment. This Act would, however, allow districts that experience a loss to increase the rate of taxation by no more than 10% to reach a neutral revenue position.

3. New Castle, Kent, and Sussex Counties are currently in the process of implementing property reassessments. Anticipated completion dates of reassessments vary by county but are not likely to be completed prior to Fiscal Year 2025.

4. Per the Fiscal Year 2023 Equalization Committee Report, statewide property assessments are currently valued at $27,749,445,936, generating approximately $524,516,054 in expense revenues (local school funds).

5. Because the results of the reassessments are unknown and could result in both increases and decreases across school districts, the potential local school revenue change upon implementation of this Act is indeterminable.

Cost:

	Local School Revenue Change
Fiscal Year 2024:	Indeterminable
Fiscal Year 2025:	Indeterminable
Fiscal Year 2026:	Indeterminable

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