152nd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 31**
SPONSOR:	**Representative Bush**
DESCRIPTION:	**AN ACT TO AMEND TITLE 14 AND TITLE 29 OF THE DELAWARE CODE RELATING TO THE SENIOR PROPERTY TAX CREDIT.**

Assumptions:

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

2. This Act creates a new tier of homeowners aged 65 or over to receive the property tax credit authorized in 29 Del. C. §6102 (q)(3) and 14 Del. C. §1917 (c), ("senior property tax credit").

3. Currently, homeowners aged 65 or over who have resided in Delaware for a minimum of 10 years are eligible for a credit on their property taxes equal to 50% of the school tax levied or $500, whichever is less. This Act extends the existing credit by adding a new tier for those homeowners aged 65 or over who have resided in Delaware for 3 – 10 years. The credit is equal to 50% of the school tax levied or $400, whichever is less.

4. In FY 2022, 70,711 homeowners received the credit at an average value of $346. (Based on the statutory cap of $400 effective during Fiscal Year 2022).

5. It is assumed there are an additional 11,280 individuals turning age 65 per year. The estimate also factors in historic growth in the number of credits issued as well as assumptions on homeownership.

6. Costs are assumed to increase 4% annually.

Cost:

Fiscal Year 2024:	$8,013,757
Fiscal Year 2025:	$8,334,307
Fiscal Year 2026:	$8,667,679

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