



**152nd GENERAL ASSEMBLY
FISCAL NOTE**

BILL:	HOUSE BILL NO. 219
SPONSOR:	Representative Bush
DESCRIPTION:	AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO TAX CREDITS FOR CREATION OF EMPLOYMENT AND QUALIFIED INVESTMENT IN BUSINESS FACILITIES.

Assumptions:

1. This Act is effective upon signature by the Governor.
2. Currently, the New Business Facility tax credit program provides a tax credit for qualifying activities that create at least 5 jobs and makes a capital investment of at least \$200,000 (\$40,000 per employee) in a qualified property. The minimum credit is equal to \$500 per job and an additional \$500 for every \$100,000 in capital investment. This non-refundable credit cannot be used to offset more than 50% of tax liability in a given year. Unused credits may be carried forward for up to 10 years.
3. This Act adds the year-round operation of a building or other permanent structures on the same parcel of land consisting, in the aggregate, of no less than 400,000 square feet of enclosed, climate-controlled space used for growing fruits or vegetables as a qualifying activity for the credit. This Act limits the credit for such operations to only those where the qualified investment is in an amount equal to or exceeding \$40 million.
4. According to the Department of Agriculture, no facilities currently exist that would be eligible for the tax credit provisions of this Act.
5. The fiscal note assumes no tax credits will be issued during Fiscal Year 2024 given the lead time needed for the construction and start-up of a qualifying facility under this Act.

General Fund Revenue Loss:

Fiscal Year 2024:	\$0
Fiscal Year 2025:	Indeterminable
Fiscal Year 2026:	Indeterminable

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