152nd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 234**
SPONSOR:	**Representative Ramone**
DESCRIPTION:	**AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO THE ELDERLY PROPERTY TAX RELIEF AND EDUCATION EXPENSE FUND.**

Assumptions:

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

2. This Act would change the maximum property tax credit for homeowners aged 65 or over authorized in 29 Del. C. §6102 (q)(3) and 14 Del. C. §1917(c) ("senior property tax credit"), currently the lesser of 50% of the school tax levied or $500. In its place, the Act would provide a senior property tax credit based on the "value" of the home, according to the following schedule:

Property value	Maximum Property Tax Credit
Less than $500,000	$1,000
$500,000 - $1,000,000	$500
Over $1,000,000	$0

3. For purposes of this analysis, the term "value" is assumed to be the assessed value of a home.

4. County property tax data from 2022 was used to estimate the assessed value of a home and the difference between the existing credit and the credits proposed under this Act.

5. Cost estimates do not include any assumptions regarding pending property reassessments.

6. The State reimburses local school districts for the cost of the senior property tax credits issued through the "Elder Tax Relief and Education Expense Fund" appropriation in the annual operating budget. The Fiscal Year 2024 appropriation for the Elder Tax Relief and Education Expense Fund is $28,789,300.

Cost:

Fiscal Year 2025:	$12,725,680
Fiscal Year 2026:	$12,725,680
Fiscal Year 2027:	$12,725,680

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Office of the Controller General