152nd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 321**
SPONSOR:	**Representative Yearick**
DESCRIPTION:	**AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO INCREASING THE PERSONAL EXEMPTION CREDIT.**

Assumptions:

1. This Act is effective upon signature by the Governor. Upon signature, this Act is effective for tax years 2024 and 2025.

2. This Act replaces the current $110 non-refundable personal exemption(s) for certain lower income resident taxpayers with a $330 refundable credit(s). Those qualifying for the refundable credit are:
    a. Resident individuals filing a single return with federal adjusted income between $18,000 and $36,000.
    b. Resident individual spouses filing a joint return with federal adjusted gross income between $36,000 and $72,000.
    c. Resident individual spouses filing separate Delaware personal income tax returns provided each spouse's income is between $18,000 and $36,000 with an unspecified federal adjusted gross income.

3. There are approximately 50,000 qualifying individuals affected by this Act.

4. The maximum General Fund revenue loss below assumes each qualifying individual had previously been unable to take advantage of the $110 personal credit due to tax liability limitations. Because some individuals would only receive an additional $220 benefit, this estimate assumes a range of 85%-100% of benefits are able to be realized.

5. The estimated fiscal impact does not include any administrative costs for the Division of Revenue including necessary revenue and tax system modifications to accommodate changes authorized under this Act.

General Fund Revenue Loss:

Fiscal Year 2025:	$25.5 million - $30 million
Fiscal Year 2026:	$25.5 million - $30 million
Fiscal Year 2027:	Not Applicable

Prepared by Robert Scoglietti
Office of the Controller General