152nd GENERAL ASSEMBLY
REVISED FISCAL NOTE

BILL:	**HOUSE BILL NO. 303**
SPONSOR:	**Representative Carson**
DESCRIPTION:	**AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO DISABLED VETERANS' SCHOOL TAX CREDIT.**

Assumptions:

1. This Act becomes effective upon signature by the Governor and relates to tax years beginning on or after January 1, 2025.

2. This Act modifies the eligibility standard from 100% to 80% or greater disability for veterans to qualify for the disabled veteran property tax credit.

3. In 2023, approximately 1,206 disabled veteran homeowners received this credit. Of this amount, 474 recipients were in New Castle County, 494 were in Kent County, and 238 were in Sussex County. The average actual credit received was $2,201 in New Castle County, $1,232 in Kent County, and $1,040 in Sussex County.

4. Per the US Department of Veterans Affairs, as adjusted by the national averages, the population of 80-90% disabled veterans is assumed to be approximately 1,096 in New Castle County, 1,116 in Kent County, and 599 in Sussex County.

5. Assuming that veterans with an 80-90% disability rating own homes at the same rates and value as veterans with a 100% disability rating, and would request this credit at similar rates, it is estimated that upon implementation, this Act would increase the tax credit by 1,255 claims.

6. Upon enactment, school districts may authorize a disabled veteran property tax credit to disabled veterans with an 80% or greater disability rating. Using actual credits claimed in 2023, the average additional residential school and vo-tech property tax impacts are as follows:

County	Homeownership Rate	New Credits	Average Credit	Additional Cost
New Castle	41%	453	$2,201	$997,053
Kent	51%	574	$1,232	$707,168
Sussex	38%	228	$1,052	$239,856
Total		1,255	$1,575	**$1,944,077**

7. Upon enactment, it is assumed that school districts who authorize a disabled veteran property tax credit will be reimbursed through the state Veterans Tax relief Education Expense Fund.

8. Costs are assumed to increase at a rate of 2.0%. Upon completion of statewide property reassessments, future year fiscal impacts may vary.

Cost:
Fiscal Year 2025: $0
Fiscal Year 2026: $1,944,077
Fiscal Year 2027: $1,982,959

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