153rd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**SENATE BILL NO. 35**
SPONSOR:	**Senator Hoffner**
DESCRIPTION:	**AN ACT TO AMEND TITLE 9 OF THE DELAWARE CODE RELATING TO ASSESSMENTS AND TAXATION OF STRUCTURES LOCATED ON LAND IN AGRICULTRUAL, HORTICULTURAL, AND FOREST USE.**

Assumptions:

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

2. Currently, farmlands in Delaware that are actively devoted to agricultural, horticultural or forest use and are eligible for valuation, assessment, and taxation qualify for real estate tax relief. This Act amends Delaware Code to extend the real estate tax relief to qualified farm structures that are used to store, maintain or house farm implements, agricultural commodities or crops, livestock, poultry and livestock products.

3. Currently, property taxes collected from assessed agricultural, horticultural, and forest use buildings are distributed to local school districts as revenue. The real estate tax relief will result in local school revenue loss statewide.

4. Kent County completed the reassessment process in 2024. According to Kent County, the following estimated revenue loss is expected:

County	Local School Revenue Loss	Vocational-Technical School Revenue Loss (Polytech)	Total School Revenue Loss
Smyrna	$83,347.93	$6,711.91	**$90,059.84**
Capital	$246,534.25	$13,662.36	**$260,196.61**
Caesar Rodney	$78,120.45	$6,841.92	**$84,962.37**
Lake Forest	$299,062.48	$29,728.76	**$328,791.24**
Woodbridge	$70,801.08	$5,995.16	**$76,796.24**
Milford	$88,096.85	$8,411.10	**$96,507.95**
Total School Revenue Loss	**$865,963.04**	**$71,351.21**	**$937,314.25**

5. New Castle and Sussex Counties are in the process of ongoing property assessment reevaluations. The reassessed property values for New Castle County and Sussex County are unknown. Therefore, the fiscal impact to New Castle and Sussex Counties is indeterminable until such time as the reassessments are completed in those counties.

Cost:

	School Revenue Loss	
	Kent County	**New Castle County/Sussex County**
Fiscal Year 2026:	$937,314	Indeterminable
Fiscal Year 2027:	$937,314	Indeterminable
Fiscal Year 2028:	$937,314	Indeterminable

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