151st GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 71**
SPONSOR:	**Representative Ramone**
DESCRIPTION:	**AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO DECREASING THE REALTY TRANSFER TAX.**

Assumptions:

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

2. Upon signature, this Act becomes effective for any real estate transfer occurring after December 31, 2022.

3. This Act decreases the rate of realty transfer tax to be received by the state by one percent (1%). This decrease changes the state realty transfer tax rate from 2.5% to 1.5%.

4. Based on actual collections data and current Delaware Economic and Financial Advisory Council (DEFAC) revenue forecasts, the Department of Finance estimates a loss of general fund revenues to the state of approximately $37.1 million in the first fiscal year of implementation (January – June 2023) of this Act. For future fiscal years, (accounting for a full 12-month period), the Department of Finance estimates annual state general fund revenue losses of approximately $83.1-$86.6 million.

Revenue Loss

Fiscal Year 2022:	N/A
Fiscal Year 2023:	$37,100,000 (6 months of implementation)
Fiscal Year 2024:	$83,100,000

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Office of the Controller General