151st GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 108**
SPONSOR:	**Representative Ramone**
DESCRIPTION:	**AN ACT TO AMEND VOLUME 82, CHAPTER 242, SECTION 68 OF THE LAWS OF DELAWARE RELATING TO THE SENIOR REAL PROPERTY TAX CREDIT.**

Assumptions:

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

2. This Act amends the Fiscal Year 2021 Budget Act by changing the maximum allowable school property tax credit for eligible homeowners age 65 or over (senior property tax credit) to be the lesser of 50% of the tax, or $500, an increase from the current maximum of $400.

3. Per data collected by the Department of Finance, in Fiscal Year 2021 there were approximately 70,378 property owners participating in the senior property tax credit. The statewide average senior property tax credit received is $342.06, which is below the current maximum.

4. In accordance with 14 Del. C. § 1919 and 29 Del. C. § 6102 (q), the State provides allocations from the Elderly Property Tax Relief and Education Expense Fund to school districts who would otherwise have collected school property taxes without the senior property tax credit.

5. The current appropriation for the Elderly Property Tax Relief and Education Expense Fund in Fiscal Year 2022 is $24,089,300 to be allocated to school districts. Upon implementation of this Act, the revenue loss to school districts and subsequent additional allocation from the Elderly Property Tax Relief and Education Expense Fund is estimated to increase by $4,269,811.

6. If enacted, payments due under this Act would be made in the current fiscal year. Epilogue in the Fiscal Year 2022 Budget Act provides for a maximum allowable credit of $400 so the increase established under this Act is assumed to be one-time.

Cost:

Fiscal Year 2022: $4,269,811
Fiscal Year 2023: Not applicable
Fiscal Year 2024: Not applicable

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Office of the Controller General