153rd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 463**
SPONSOR:	**Representative K. Williams**
DESCRIPTION:	**AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO LOCAL SCHOOL TAXES.**

Assumptions:

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

2. This Act allows counties to update exemption amounts by county ordinance to reasonably reflect changes in property value and inflation.

3. This Act requires that, beginning in Fiscal Year 2027, school tax exemption determinations in New Castle County use the same eligibility criteria and exemption amount that New Castle County used for county taxes as of July 1, 2025.

4. According to the most recent data provided by New Castle County, county tax exemptions are $1,597,420,200 greater than school tax exemptions. By multiplying the difference within each district by the residential school rates for each district, this results in an estimated reduction of local school revenue of $9,600,780. The breakdown by school district is shown below.

School District	Revenue Loss by School District
Appoquinimink	$931,279
Brandywine	$1,665,687
Christina	$2,592,325
Colonial	$1,302,991
Red Clay	$2,466,351
Smyrna (NCC Portion)	$38,629
New Castle County VoTech	$600,630
PolyTech (Smyrna Only)	$2,888
Total School Revenue Loss	$9,600,780

5. As reassessments occur every five years and were most recently completed in Fiscal Year 2025, the same assessed value and school tax rates are assumed through Fiscal Year 2029.

Cost:

	Local School Revenue Loss
Fiscal Year 2027:	$9,600,780
Fiscal Year 2028:	$9,600,780
Fiscal Year 2029:	$9,600,780

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Office of the Controller General