



SPONSOR: Rep. Michael Smith & Sen. Wilson
Reps. Briggs King, Collins, Ramone

HOUSE OF REPRESENTATIVES
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 42

AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO LIMITATION ON PUBLIC SCHOOLS' TAX RATE AFTER GENERAL REASSESSMENT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend § 1916, Title 14 of the Delaware Code by making deletions as shown by strike through and
2 insertions as shown by underline as follows:

3 § 1916. Tax collection warrant and assessment list; tax rate after general reassessment.

4 (a) Based on the total value of all taxable property as shown on the county assessment list and on the amount to be
5 raised, the board of the district shall fix the rate of taxation plus 10% for delinquencies.

6 (b) Whenever the qualified voters of a reorganized school district have approved a specific rate of taxation or
7 specified amount of taxation under § 1903 of this title and a subsequent general reassessment of all real estate in the county
8 changes the total assessed valuation of the school district, the local board of education of each such local school district
9 shall calculate a new real estate tax rate which, ~~at its maximum,~~ would realize no ~~more than 10%~~ increase in actual revenue
10 over the revenue derived by real estate tax levied in the fiscal year immediately preceding such reassessed real estate
11 valuation, provided, however, should a district realize a projected revenue loss (from the amount raised the previous year)
12 due to the general reassessment, that district would be allowed to increase the rate of taxation by no more than 10%, to
13 attempt to reach an overall revenue neutral position. Any subsequent increase in rate of taxation shall be achieved only by
14 an election of the qualified voters in such local school district according to the procedures in § 1903 of this title.

15 (c) Notwithstanding any other provisions of this title to the contrary, the school board of the district whose
16 jurisdiction traverses county boundary lines and whose local school taxes are made different as a result of property
17 reassessment shall levy real estate taxes in the following manner:

18 (1) In the county not reassessed, at a rate authorized by law and referendum.

19 (2) In the county recently reassessed, at a newly calculated rate based on the newly established assessments
20 which ~~at its maximum~~ would bring in revenue equal to the amount authorized by law and by referendum, based on the
21 previous year's assessment, plus the quarterly updates ~~and the 10% increase as authorized by subsection (b) of this~~
22 ~~section.~~

23 (d) The board shall, no later than the second Thursday in July, deliver its warrant, with a duplicate of the
24 assessment list, to the receiver of taxes and county treasurer of the county or counties where the district is located.

SYNOPSIS

This Act removes the up to 10% increase in school property taxes allowed after reassessment