



SPONSOR: Rep. Wilson-Anton & Rep. K. Williams & Sen. Lockman
& Sen. S. McBride & Sen. Sturgeon
Reps. Baumbach, Harris, S. Moore, Morrison, Romer;
Sens. Hoffner, Sokola, Townsend

HOUSE OF REPRESENTATIVES
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 62

AN ACT TO AMEND TITLE 9 OF THE DELAWARE CODE RELATING TO THE ASSESSMENT OF REAL
PROPERTY.

1 WHEREAS, for the first time in decades, each county in Delaware is conducting a general reassessment of all real
2 property within that county; and

3 WHEREAS, a standard, periodic reassessment of real property creates predictability, keeps assessed values
4 reasonably accurate, and will be cost effective because it enables the use of advanced mass appraisal technologies; and

5 WHEREAS, the term “true value in money” is archaic and the Delaware Supreme Court has consistently held that
6 the term true value in money “is the same as its fair market value”, *New Castle Cty. Dep’t of Fin. v. Teachers Ins. &*
7 *Annuity Ass’n*, 669 A.2d 100, 102 (Del. 1995); and

8 WHEREAS, the Delaware Supreme Court has defined “fair market value”, *Seaford Assocs., L.P. v. Bd. of*
9 *Assessment Review*, 539 A.2d 1045, 1048 (Del. 1988), and more specifically, has established that under Delaware law, the
10 fair market value of taxable property means its present market value, *Board of Assessment Review v. Stewart*, 378 A.2d
11 113, 115 (Del. 1977); and

12 WHEREAS, the requirement to assess taxable property at its present fair market value does not require that a
13 property’s assessed value always perfectly match up with present fair market value, because valuing property requires time
14 and costs money and property values fluctuate, therefore assessed values meet the present fair market value requirement
15 when they fall within a reasonable range of present fair market value, *In re Del. Pub. Sch. Litig.*, 239 A.3d 451, 477-78
16 (Del. Ch. 2020); and

17 WHEREAS, under current law in §§ 1321, 4124(b), and 7004(c)(1) of Title 9, each county’s Department of
18 Finance is responsible for property assessment, not the board of assessment for the county.

19 NOW, THEREFORE:

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

21 Section 1. Amend § 8306, Title 9 of the Delaware Code by making deletions as shown by strike through and
22 insertions as shown by underline as follows:

23 § 8306. Standard of assessment; ~~penalty.~~ frequency of reassessment.
24 (a) All property subject to assessment shall be assessed at its ~~true value in money.~~ present fair market value.
25 (b) ~~If any board of assessment, or any member thereof, knowingly and wilfully values or assesses any property~~
26 ~~upon any other standard than its true value in money, each of the members of the board participating therein shall be fined~~
27 ~~not more than \$100.~~ (1) All real property must be reassessed by the county in which the real property is located at least
28 once every 5 years.
29 (2) Each 5-year period under paragraph (b)(1) of this section starts on the date a county board of assessment adopts
30 a certification under § 8314 of this title reflecting the completion of a general reassessment of all real property within that
31 county.
32 Section 2. Amend § 8307, Title 9 of the Delaware Code by making deletions as shown by strike through and
33 insertions as shown by underline as follows:
34 § 8307. Use of local assessment lists.
35 (a) ~~It shall be lawful for the board of assessment to~~ A county Department of Finance may enter into an agreement
36 with the proper authorities of any city, ~~town~~ town, or municipality to inspect and copy any assessment made for local
37 purposes. If in the opinion of ~~a majority of the Board such~~ that Department of Finance the local assessment assesses all
38 property at its ~~true value in money,~~ present fair market value, then ~~the~~ that Department of Finance may adopt ~~such~~ that local
39 assessment as the assessment for county purposes.

SYNOPSIS

This Act requires that each county reassess the value of real property in the county at least once every 5 years. The first 5-year period starts when the reassessment currently being conducted by each county is completed.

This Act also makes revisions to conform existing law to the standards of the Delaware Legislative Drafting Manual and for consistency with current law and terminology as follows:

1. Because boards of assessment are not responsible for assessing property in any of the counties under current law, this Act repeals the penalty under § 8306 of Title 9 against a board of assessment that knowingly and wilfully assesses property at an incorrect value and corrects references to a county Department of Finance instead of the board of assessment in § 8307 of Title 9.

2. Requires that real property be assessed at its “present fair market value” instead of at its “true value in money.” Delaware courts have established that the “true value in money” for real property means its “present fair market value”, which is the terminology that is currently used.