

Wilmington, Delaware
June 15, 2023

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Sponsor:

**Council
Member
Harlee**

WHEREAS, House Bill No. 62 (HB No. 62), An Act to Amend Title 9 of the Delaware Code Relating to the Assessment of Real Property, sets a requirement that real property assessments take place at least every five years; and

WHEREAS, Tyler Technologies is undertaking reassessments of Delaware's nearly 500,000 tax parcels, a process that is projected to take several years to complete. Before this undertaking, the last property tax assessments date back to 1987 in Kent County, 1983 in New Castle County, and as far back as 1974 in Sussex County; and

WHEREAS, property taxes constitute the greatest proportion of own-source revenue for most county and municipal governments. These taxes also fund a substantial proportion of the capital necessary to maintain public schools and other vital services; and

WHEREAS, real property reassessments are conducted periodically to evaluate the present market value of taxable real estate within a county or municipality's limits. As time progresses, distortions arise between assessed and true market values due to inflation, fluctuations in market price, changes in property conditions, and other factors that impact a real asset's selling price. Failure to reassess property values in a consistent and timely fashion can result in substantial revenue losses and inequitable distributions of the property tax burden; and

WHEREAS, the current statewide property tax reassessment will furnish the information necessary to update the tax rolls, our municipalities risk incurring similar problems in the future if a tentative schedule for tax reassessment is not established and codified; and

WHEREAS, a regular, predictable reassessment process helps property owners better adapt to incremental tax assessment increases due to inflation and other factors impacting home values.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WILMINGTON that this Legislative body is in favor of House Bill No. 62 (HB No. 62), An Act to Amend Title 9 of the Delaware Code Relating to the Assessment of Real Property, which aims to ensure that property reassessments in our State are undertaken in a timely manner.

BE IT FURTHER RESOLVED that this Legislative body encourages the members of the Delaware General Assembly to support HB No. 62 to provide more consistency and predictability in the real property reassessment process.

Passed by City Council,

ATTEST: _____
City Clerk

SYNOPSIS: This Resolution expresses support for House Bill No. 62 (HB No. 62), An Act to Amend Title 9 of the Delaware Code Relating to the Assessment of Real Property, which sets a requirement that real property reassessments occur at least every five (5) years. Property taxes are a significant source of revenue for counties, municipalities, and school districts. Requiring more consistent, timely reassessments reduces inconsistencies between present market value and assessed market value on taxable properties, facilitates a more equitable distribution of the property tax burden, and allows for more incremental tax increases from inflation and other factors that property owners are better able to absorb into their household budgets.