

Introduced by: Mr. Smiley, Ms. Kilpatrick,
Mr. Carter, Mr. Woods,
Mr. Hollins, Mr. Cartier,
Ms. Hartley-Nagle

Date of introduction: February 23, 2021

RESOLUTION NO. 21-027

**SUPPORTING A COUNTY-WIDE GENERAL REAL PROPERTY TAX
REASSESSMENT AND ENDORSING THE PRINCIPLES OF ITS EXECUTION**

WHEREAS, New Castle County has not conducted a County-wide real property tax assessment (a “general reassessment”) in nearly 40 years; consequently, real property in the County is assessed at its value as of July 1, 1983; and

WHEREAS, the Delaware Court of Chancery has determined that the County’s failure to conduct a general reassessment since 1983 has resulted in a violation of 9 *Del. C.* § 8306(a), requiring property to be assessed in its “true value in money,” as well as Article VIII, section 1 of the Delaware Constitution, which requires property to be taxed uniformly (the “Uniformity Clause”); and

WHEREAS, County Council determines that it is appropriate to conduct a general reassessment, and County Council supports the County’s issuance of a request for proposal for a third-party vendor to conduct a general reassessment to reflect revised assessments of real property for taxes levied in fiscal year 2024; and

WHEREAS, County Council desires that the County’s real property tax assessments never again fail to satisfy the County’s obligations under 9 *Del. C.* § 8306(a) and the Uniformity Clause of the Delaware Constitution, and County Council determines that steps must be taken now to establish periodic recurring general reassessments; and

WHEREAS, County Council desires to establish certain principles in the execution of the fiscal year 2024 general reassessment, and to set expectations for future general reassessments.

NOW, THEREFORE, BE IT RESOLVED, by and for the County Council of New Castle County, that County Council hereby supports the following principles:

- (1) **Taxpayer Fairness.** The fiscal year 2024 general reassessment, and all subsequent general reassessments, shall be conducted in a fair and equitable manner, with particular attention and outreach provided to communities lacking the resources available to determine the impact of the general assessment on their communities.

- (2) **Revenue Neutral Fiscal Year 2024 General Reassessment.** Nine *Del. C.* § 8002(c) of the Delaware Code permits the County to receive up to 15% additional revenue over the prior fiscal year after a general reassessment occurs, and it is commonly believed that this provision is intended to permit the County to pay for the general reassessment using this mechanism. However, it is the intent of the County Council not to use this mechanism, but rather to fund the general reassessment now to provide greater tax stability for real property owners, and to ensure that the fiscal year 2024 general reassessment is revenue neutral.
- (3) **Recurring General Reassessments.** The fiscal year 2024 general reassessment shall be conducted in a manner that creates the necessary technological infrastructure to support recurring general reassessments. County Council supports a five (5) year recurring general reassessment. County Council hereby states its intent to pass legislation establishing recurring general reassessments.

Adopted by County Council of
New Castle County on:

President of County Council
of New Castle County

SYNOPSIS: Same as title.

FISCAL NOTE: There is no discernible fiscal impact with the adoption of this resolution.