



STATE OF DELAWARE
 DEPARTMENT OF FINANCE
 DIVISION OF REVENUE
 DELAWARE STATE BUILDING
 820 N. FRENCH STREET
 WILMINGTON, DELAWARE 19801

DIVISION OF REVENUE
 TAX RULING 79-3

July 20, 1979

Personal Income Tax - Reduction in Tax Rates

Section 1 of House Bill No. 334, 130th General Assembly, approved by the Governor on June 6, 1979, (Vol. 62, Chap. 56, Laws of Del.), amends Section 1102, Chapter 11, Title 30, Delaware Code, relating to the personal income tax, by reducing the income tax rates in each individual bracket. The new tax rates are as follows:

(1) For taxable years commencing in 1979:

<u>Taxable Income</u>		<u>Your Tax Is:</u>			
<u>Over</u>	<u>But not over</u>				
\$ 0	\$ 1,000	\$	1.5%	\$	
1,000	2,000	15.00	+ 2.1%	Over	1,000
2,000	3,000	36.00	+ 3.15%	Over	2,000
3,000	4,000	67.50	+ 4.3%	Over	3,000
4,000	5,000	110.50	+ 5.35%	Over	4,000
5,000	6,000	164.00	+ 6.4%	Over	5,000
6,000	8,000	228.00	+ 7.45%	Over	6,000
8,000	10,000	377.00	+ 8.4%	Over	8,000
10,000	15,000	545.00	+ 8.5%	Over	10,000
15,000	20,000	970.00	+ 8.6%	Over	15,000
20,000	25,000	1,400.00	+ 9.05%	Over	20,000
25,000	30,000	1,852.50	+ 9.65%	Over	25,000
30,000	40,000	2,335.00	+ 11.55%	Over	30,000
40,000	50,000	3,490.00	+ 12.8%	Over	40,000
50,000	75,000	4,770.00	+ 14.45%	Over	50,000
75,000	100,000	8,382.50	+ 15%	Over	75,000
\$100,000	And Over	\$12,132.50	+ 16.65%	Over	\$100,000

(2) For taxable years commencing on or after January 1, 1980:

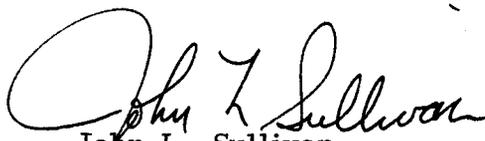
<u>Over</u>	<u>But not over</u>	<u>Your Tax Is:</u>			
\$ 0	\$ 1,000	\$	1.4%	\$	
1,000	2,000	14.00	+ 2.0%	Over	1,000
2,000	3,000	34.00	+ 3.0%	Over	2,000
3,000	4,000	64.00	+ 4.2%	Over	3,000

Taxable Income

<u>Over</u>		<u>But not over</u>	<u>Your Tax Is:</u>			
\$ 4,000	-	\$ 5,000	\$ 106.00	+	5.2%	Over \$ 4,000
5,000	-	6,000	158.00	+	6.2%	Over 5,000
6,000	-	8,000	220.00	+	7.2%	Over 6,000
8,000	-	10,000	364.00	+	8.0%	Over 8,000
10,000	-	15,000	524.00	+	8.2%	Over 10,000
15,000	-	20,000	934.00	+	8.4%	Over 15,000
20,000	-	25,000	1,354.00	+	8.8%	Over 20,000
25,000	-	30,000	1,794.00	+	9.4%	Over 25,000
30,000	-	40,000	2,264.00	+	11.0%	Over 30,000
40,000	-	50,000	3,364.00	+	12.2%	Over 40,000
\$50,000	-	And Over	\$4,584.00	+	13.5%	Over \$50,000

Section 2 of House Bill No. 334, amends Section 1154 (a), 30 Del. C., relating to withholding tax requirements, to provide that where the aggregate amount of taxes required to be withheld by an employer for the first two months of any calendar quarter does not exceed \$200.00, such employer may file his withholding tax return and pay the tax withheld on a quarterly basis, rather than monthly, as previously required.

Persons qualifying under this provision should file quarterly withholding tax returns for the quarter ending September 30, 1979, (due October 15, 1979). Quarterly forms will be mailed to employers by the Division of Revenue.


John L. Sullivan
Director of Revenue

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