

RESOLUTION NO. R 023 79

REQUESTING GENERAL ASSEMBLY AND CONGRESSIONAL ACTION ON THE IMPLEMENTATION OF SEWER CHARGES AS A RECOGNIZED TAX DEDUCTION

WHEREAS, there exists an inequity in the tax treatment of sewer fees between commercial and industrial, and residential property owners; and

WHEREAS, commercial and industrial users may deduct sewer charges as a business expense; and

WHEREAS, residential property owners do not receive the same deduction; and

WHEREAS, to be corrected this inequity needs state and national legislation; and

WHEREAS, escalating sewer charges are in a large part due to federal and state mandates on environmental control,

NOW, THEREFORE,

BE IT RESOLVED that the Sussex County Council requests the Delaware General Assembly to enact legislation to make sewer service fees a deductible tax within the State of Delaware, and that copies of this resolution be forwarded to The Honorable Pierre S. du Pont, IV, Governor of the State of Delaware; The Honorable James D. McGinnis, Lieutenant Governor of the State of Delaware; The Honorable Richard C. Cordrey, President Pro Tempore of the Senate of the State of Delaware; and The Honorable John P. Ferguson, Speaker of the House of Representatives of the State of Delaware; and

BE IT FURTHER RESOLVED that copies of this Resolution be forwarded to The Honorable William V. Roth, Jr., United States Senator; The Honorable Joseph R. Biden, Jr., United States Senator; and The Honorable Thomas B. Evans, Jr., United States Representative; for implementation of legislation in Congress recognizing this cost as a federal tax deduction; and

BE IT FURTHER RESOLVED that copies of suggested necessary state and national legislation be attached to this resolution.

ATTACHMENTS:

HOUSE OF REPRESENTATIVES

SPONSOR \_\_\_\_\_

130TH GENERAL ASSEMBLY

HOUSE BILL NO.

AN ACT TO AMEND CHAPTER 11, TITLE 30 DELAWARE CODE TO GRANT A DEDUCTION FROM GOSSS INCOME TAXABLE UNDER THE DELAWARE PERSONAL INCOME TAX LAW FOR AMOUNTS PAID BY RESIDENTIAL SEWER USERS

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

Section 1. Amend s 1106(b), Chapter 11, Title 30 Delaware Code by adding a new subsection (6) thereto to read as follows:

"(6) An amount equal to the sewer use charge paid during the taxable year by residential sewer users."

SYNOPSIS

This amendment would allow residential sewer users an exemption for the costs of sewer service similiar to the deductions permitted appartments, businesses and other organizations under the federal income tax law.

H. R.

To provide a deduction for amounts paid for sewer service charges from federal income taxation.

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IN THE HOUSE OF REPRESENTATIVES  
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A BILL

To provide a deduction under the Internal Revenue Code for sewer charges paid by individuals.

Be It Enacted by the Senate and House of Representatives of the United States of America in Congress assembled,  
That the Internal Revenue Code is amended by adding a new Section 218 as follows:

Section 218. Sewer Service Charges for Individuals.

(a) Deduction Allowed: In the case of an individual there is allowed as a deduction amounts paid in cash for the taxable year by such individual for sewer service user charges.

I DO HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF RESOLUTION NO. R 023 79 PASSED BY THE COUNTY COUNCIL OF SUSSEX COUNTY ON THE 24TH DAY OF APRIL, 1979.

Emogene P. Ellis  
EMOGENE P. ELLIS  
CLERK OF THE COUNTY COUNCIL