



*Why Live*



*In Delaware?*



- Lower Delaware - Sussex County offers a relaxing, coastal resort lifestyle, with many beautiful beaches, state parks, great restaurants, and tax free shopping.
- **Kiplinger's PERSONAL FINANCE** Magazine, “Guide to Taxes on Retirees, 2009–2010”, and “2009 Best List, Retirement Resources”, stated **Delaware is “Best State to Live in When You Retire”**. Low taxes make **Delaware** “*first*” and the “*First State is first-rate for tax-friendly treatment for retirees*”. Real property taxes are among the lowest in the country.
- Delaware is one of only five states with ***NO State sales tax***.

States with NO Sales Tax				
Alaska*	<b>Delaware</b>	Montana	New Hampshire	Oregon

\*Some cities in Alaska have a sales tax.

- Delaware is one of only 27 states that ***do not tax Social Security income***.
- ***Up to \$12,500 of investment and qualified pension income, including out of state government pensions are exempt from Delaware state income taxes*** for people aged 60 and over.
- Delaware has ***no personal property or real property taxes*** (no state-level tax imposed). Delaware is one of only 13 states that impose no state-wide property tax levy.
- ***Delaware has some of the lowest property tax burdens in the nation***. Homeowners enjoy a non-recurring assessment of home values. Real property taxes in Sussex County have remained fixed for more than two decades - homeowners taxed on approximately 50% of their property’s current market value based on a 1974 assessment!
- ***Homes’ affordability is one reason Delaware is ranked #2 in homeownership rate*** - 76.5% of residents own their own homes. National average is 67.4%, only one state had a higher homeownership rate – West Virginia at 78.7%. (Source: U.S. Census, 2<sup>nd</sup> Quarter 2009)
- ***Delaware tax payers are allowed \$110 in tax credits times the number of personal exemptions*** allowed for Federal purposes plus those allowed to persons age 60 and over.
- **TopRetirements.com**, February 2010, named Rehoboth Beach, Delaware, as one of the “**100 Best Places To Retire**”. Asheville, NC, was ranked number 1; Rehoboth Beach was ranked number 37. Also, TopRetirements.com rates Delaware as one of the ***top five states*** with the lowest tax burdens, along with Alabama, Alaska, New Hampshire, and Tennessee.

- Delaware ranks *twenty-fourth least tax burdensome* state in the United States.

## State - Local Tax Burden Comparisons Fiscal Year 2008

DELAWARE & Neighboring States

> Sequenced by Tax Burden Rank <

State	Tax Burden Rank (Higher Number The Least Burdensome)	State and Local Tax Burden
<b>United States Average</b>	--	<b>9.7%</b>
Alaska	50	6.4%
Nevada	49	6.6%
Wyoming	48	7.0%
<b>Delaware</b>	<b>24</b>	<b>9.5%</b>
<b>Virginia</b>	<b>18</b>	<b>9.8%</b>
<b>Pennsylvania</b>	<b>11</b>	<b>10.2%</b>
<b>Maryland</b>	<b>4</b>	<b>10.8%</b>
<b>New York</b>	<b>2</b>	<b>11.7%</b>
<b>New Jersey</b>	<b>1</b>	<b>11.8%</b>
<b>District of Columbia</b>	--	<b>10.3%</b>

**Source:** Tax Foundation latest available calculations based on data from multiple sources, primarily Bureau of Economic Analysis, Census Bureau, Council on State Taxation, Others

Each state's tax burden represents a combination of state & local tax burdens – per capita taxes paid to home State + paid to other States. Above table shows the effective state/local tax burdens as a percentage of income by State. State's ranking is provided under headings *Tax Burden Rank*, showing the least burdensome (#50 - Alaska) & most burdensome (#1-New Jersey). Percentages under *State and Local Tax Burden* show tax burden as a percentage of income.

- **CBSMoneyWatch.com**, June 7, 2010, stated **HomeAway®**, Inc., (most trusted vacation rental website), named Rehoboth Beach, Delaware, as one of the best five “**Best Vacation Home Locations**”, based on location-easy to get to, rentability, high year-round rental demand, supply/demand in balance, and homes’ affordability.
- **Bond Agencies Praise Delaware’s Responsible Management of Taxpayer Dollars**. In 2009, Delaware is one of only a few states receiving a triple-A rating for the state’s bonds, from three of the major bond rating agencies (i.e., Moody’s Investors Service; Standard and Poor’s; and Fitch Ratings). This is the 13<sup>th</sup> consecutive time Delaware has earned triple-A ratings, the highest rating awarded by the nationally recognized rating services. Ratings reflect how Delaware has taken a fiscally responsible approach to managing state government and, having the lowest assessment of repayment risk, allow Delaware to borrow money at the lowest possible interest rate, thus ultimately saving Delaware tax payers money. Bonds are in great demand and are tax-exempt for federal and Delaware income purposes. With so many other states in the country in such dire shape, these ratings show the importance of Delaware’s tradition of working together to govern responsibly.
- U.S. News and World Report, “**America’s Best Colleges 2010**”, ranked the **University of Delaware as one of the nation’s top 100 colleges, ranking UDel 68<sup>th</sup>**. General facts: founded 1743; enrollment around 20,000; tuition \$8,540 in-state, \$22,240 out-of-state; room and board \$9,308; endowment over \$1 billion dollars.
- **America’s Best and Top Ten** designated Delaware’s Rehoboth Beach board walk, reconstructed in 2010, as one of the Nation’s top 5 Best Beach Boardwalks in the United States.

- The Natural Resources Defense Council's "Testing the Waters 2009 – A Guide to Water Quality at Vacation Beaches" ranked **Delaware beaches the nation's cleanest** [tied with New Hampshire and Virginia] of the 30 coastal and Great Lakes states surveyed.

### Rank of States by Percent of Beach Water Samples Exceeding the National Standard 2009

State	Rank (Least Clean to Most Clean)	Percent
<b>National</b>	-	<b>7%</b>
Louisiana	1	29%
↓	↓	↓
Virginia	28	1%
New Hampshire	29	1%
<b>Delaware</b>	<b>30</b>	<b>1%</b>

**SOURCE:** NATURAL RESOURCES DEFENSE COUNCIL, "TESTING THE WATERS 2009 – A GUIDE TO WATER QUALITY AT VACATION BEACHES", NINETEENTH EDITION, JULY 2009

- Delaware is the 18<sup>th</sup> highest ranked State in per capita income in America.

### Local States Per Capita Income Ranking in 2008

State	Per Capita Income	U. S. Rank
<b>United States</b>	<b>\$40,208</b>	<b>--</b>
New Jersey	\$51,358	2
New York	\$48,753	4
Maryland	\$48,378	6
Virginia	\$44,224	7
<b>Delaware</b>	<b>\$40,519</b>	<b>18</b>
Pennsylvania	\$40,140	19
District of Columbia	\$66,119	--

**Source:** U.S. Bureau of Economic Analysis as of October 2009

- Delaware ranks as the 19<sup>th</sup> fastest-growing State, with 1.0% increase in population.

U. S. State Population Estimates & Changes								
STATE	Population Estimates		Change '08 to '09		National Ranking of States			
	July 1, '09	July 1, '08	Number	%	Population Estimates		Change '08 to '09	
					July 1, '09	July 1, '08	Number	%
<b>United States</b>	307,006,550	304,374,846	2,631,704	0.9	N/A			
<b>Delaware</b>	<b>885,122</b>	<b>876,211</b>	<b>8,911</b>	<b>1.0</b>	<b>45</b>	<b>45</b>	<b>41</b>	<b>19</b>
Virginia	7,882,590	7,795,424	87,166	1.1	12	12	9	16
Maryland	5,699,478	5,658,655	40,823	0.7	19	19	19	28
Pennsylvania	12,604,767	12,566,368	38,399	0.3	6	6	21	44
New Jersey	8,707,739	8,663,398	44,341	0.5	11	11	16	38
New York	19,541,453	19,467,789	73,664	0.4	3	3	10	43

**SOURCE:** Population Division, U.S. Census Bureau, Released December 2009

- Delaware is one of only nine States that have little or no income tax on trusts.

Trusts Tax Friendly States		
<i>States with little or no income tax on trusts.</i>		
Alaska	Nevada	Texas
<b>Delaware</b>	Ohio	Washington
Florida	South Dakota	Wyoming

SOURCE: J P MORGAN PRIVATE BANK

- Delaware is one of only 23 States allowing trusts to last for generations.

Starting a Dynasty		
<i>States that allow trusts to last for generations.</i>		
Alaska	Indiana	Rhode Island
Arizona	Maine	South Dakota*
Colorado	Maryland	Utah***
<b>Delaware*</b>	Missouri*	Virginia
District of Columbia	Nebraska	Washington**
Florida**	New Hampshire*	Wisconsin*
Idaho*	New Jersey	Wyoming***
Illinois	Ohio	

\*Favorable tax treatment is more assured in these states. \*\*Florida trust duration 360 years, Washington 150 years. \*\*\*Utah, Wyoming limited to 1,000 years.

SOURCE: Trusts and Estates

**PLEASE NOTE:** All information presented is subject to change without notification. Also, you need to consult with a lawyer or tax advisor regarding your eligibility for any Delaware tax or other benefits.

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**330 REHOBOTH AVENUE, REHOBOTH BEACH, DE 19971**

t 302.227.6767 ∞ 888.734.7399 ∞ f 302.227.6349

**778 GARFIELD PARKWAY, BETHANY BEACH, DE 19930**

t 302.539.1033 ∞ 877.539.1033 ∞ f 302.539.1163

[www.oasothebysrealty.com](http://www.oasothebysrealty.com)

