

JAN 25 2006

---

---

# A BILL FOR AN ACT

RELATING TO RELIEF OF MANOA FLOOD VICTIMS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. (a) There shall be allowed to each taxpayer  
2 who is not claimed or is not otherwise eligible to be claimed as  
3 a dependent by another taxpayer for federal or Hawaii state  
4 individual income tax purposes, who files a net income tax  
5 return for a taxable year, a one-time nonrefundable Manoa flood  
6 victim tax credit that shall be deductible from the taxpayer's  
7 net income tax liability imposed by chapter 235.

8           (b) The amount of the nonrefundable tax credit shall be  
9 equal to ten per cent of the losses incurred by the taxpayer for  
10 repairs, insurance, rental, or other expenses or costs related  
11 to damage caused to the taxpayer's real or personal property by  
12 the heavy rain and flood in late October of 2004 in Manoa, Oahu;  
13 provided that the nonrefundable tax credit shall be ten per cent  
14 of the total loss, or \$500, whichever is greater, but shall not  
15 exceed \$2,000 per taxpayer; and provided further that no refund  
16 or payment on account of the tax credit allowed by this section  
17 shall be made for amounts less than \$1.



1 (c) To qualify for the income tax credit, the taxpayer  
2 shall be in compliance with all applicable federal, state, and  
3 county statutes, rules, and regulations.

4 (d) If the tax credit under this section exceeds the  
5 taxpayer's net income tax liability, any excess of the tax  
6 credit may be used as a credit against the taxpayer's income tax  
7 liability in subsequent taxable years until exhausted.

8 (e) Every claim, including amended claims, for the tax  
9 credit under this section shall be filed on or before  
10 December 31, 2007. Failure to meet the filing requirements of  
11 this subsection shall constitute a waiver of the right to claim  
12 the tax credit.

13 (f) The director of taxation shall prepare such forms as  
14 may be necessary to claim a tax credit under this section, may  
15 require proof of the claim for the tax credit, and may adopt  
16 rules pursuant to chapter 91 to effectuate the purposes of this  
17 section.

18 SECTION 2. This Act shall take effect upon its approval  
19 and shall apply to taxable years beginning after December 31,  
20 2003, and ending before January 1, 2007.

21

INTRODUCED BY: 

**Report Title:**

Tax Credit; Manoa Flood

**SB. NO. 3037**

**Description:**

Provides a one-time nonrefundable tax credit to victims of the Manoa flood of October 2004.

