

Honolulu, Hawaii

May 2, 2006

RE: H.B. No. 957  
H.D. 1  
S.D. 1  
C.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Honorable Robert Bunda  
President of the Senate  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 957, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to expand state individual income tax brackets for those filing as:

- (1) Single or married filing separately;
- (2) Joint and qualified widows;
- (3) Head of households; and
- (4) Taxed imposed on estates and trusts;



to bring the tax laws more in line with the economic realities of the high cost of living in Hawaii and to bring long-term tax relief to low- and middle-income families.

Your Committee on Conference has amended this bill by increasing each bracket uniformly by 20 percent for those filing as:

- (1) Single or married filing separately;
- (2) Joint and qualified widows; and
- (3) Head of households.

Your Committee on Conference has also amended this bill by:

- (1) Deleting the amendments made for tax imposed on estates and trusts;
- (2) Raising the standard deductions to equal approximate 40 percent of the federal standard deduction;
- (3) Providing a one-time flood victims' income tax credit.

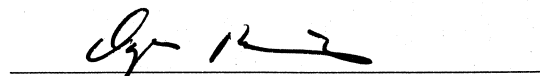
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 957, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 957, H.D. 1, S.D. 1, C.D. 1.

Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

  
BRIAN T. TANIGUCHI, Chair

  
DWIGHT TAKAMINE, Chair

  
LORRAINE R. INOUE, Co-Chair



