

Honolulu, Hawaii

MAR - 3 2006

RE: S.B. No. 2488
S.D. 1

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2488 entitled:

"A BILL FOR AN ACT RELATING TO INCOME TAX CREDITS,"

begs leave to report as follows:

The purpose of this measure is to provide a tax credit of \$1,500 for the purchase of a new or used hybrid motor vehicle.

A hybrid motor vehicle is a motor vehicle with a hybrid propulsion system that uses a combination of electricity and a traditional fuel, such as gasoline.

Your Committee finds that the rising cost of gasoline has made alternative fueled motor vehicles more attractive to the consuming public, not only for the cost savings from using less gasoline, but also because it helps the environment by reducing fossil fuel consumption in the State.

This bill, which applies to taxable years beginning after 2005, provides a strong tax incentive to encourage consumers to save money and help the environment by purchasing a hybrid motor vehicle.

Your Committee has amended this measure by:

- (1) Changing the tax credit to an unspecified amount for the purpose of furthering discussion; and



- (2) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2488, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2488, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,




BRIAN T. TANIGUCHI, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Ways and Means
(Bills and Resolutions)

Measure:* SB 2488	Committee Referral: TGO, WAM	Date: 2/28/06		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to: <input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
TANIGUCHI, Brian T. (C)	/			
TSUTSUI, Shan S. (VC)	/			
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
HOOSER, Gary L.				/
INOUE, Lorraine R.	/			
KANNO, Brian				/
KIM, Donna Mercado	/			
KOKUBUN, Russell S.	/			
NISHIHARA, Clarence K.	/			
SAKAMOTO, Norman	/			
HEMMINGS, Fred				/
SLOM, Sam	/			
TRIMBLE, Gordon	/			
TOTAL	12	0	0	3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Do not list more than one measure per Record of Votes.