

STAND. COM. REP. NO. 1122

Honolulu, Hawaii

March 2, 2007

RE: H.B. No. 902  
H.D. 2

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fourth State Legislature  
Regular Session of 2007  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 902, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this bill is to provide financial incentives for agricultural development by establishing an important agricultural land agricultural business tax credit (Tax Credit) amounting to 100 percent of the qualified agricultural costs incurred by an agricultural business.

The Hawaii Farm Bureau Federation, Maui County Farm Bureau, Land Use Research Foundation of Hawaii, Alexander & Baldwin, Inc., Hawaiian Commercial & Sugar Company, and Kauai Coffee Company, Inc., supported this bill. The Department of Agriculture (DOA) and the Hawaii Agriculture Research Center supported the intent of this bill. The Department of Taxation (DOTAX), Agribusiness Development Corporation (ADC), and the Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Appropriating funds to DOA, instead of ADC, for administrative costs of the Tax Credit;
- (2) Changing its effective date to July 1, 2020, to encourage further discussion; and

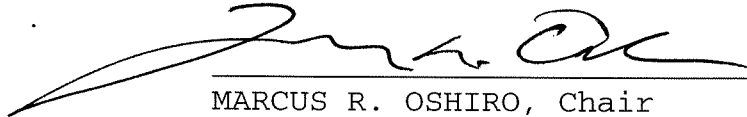
HB902 HD2 HSCR FIN HMS 2007-2917



- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 902, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 902, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



MARCUS R. OSHIRO, Chair



State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

HSCR 1122

**Record of Votes of the Committee on Finance**

<b>Bill/Resolution No.:</b> <span style="font-size: 1.5em; font-family: cursive;">HB 902 HD1</span>	<b>Date:</b> <span style="font-size: 1.5em; font-family: cursive;">2/26/07</span>			
<b>Committee Referral:</b> <span style="font-size: 1.5em; font-family: cursive;">AGR/EDB, FIN</span>	<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.			
<b>The recommendation is to:</b> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input type="checkbox"/> Pass, unamended  <input type="checkbox"/> Hold         </div> <div style="width: 45%;"> <input checked="" type="checkbox"/> Pass, with amendments  <input type="checkbox"/> Pass, with amendments, for recommittal for further consideration         </div> </div>				
<b>FIN Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. OSHIRO, Marcus R. (C)	✓			
2. LEE, Marilyn B. (VC)	✓			
3. BELATTI, Della Au	✓	X		
4. BROWER, Tom	✓			
5. CARROLL, Mele	✓			
6. CHONG, Pono	✓			
7. HANOHANO, Faye P.	✓			✓
8. HAR, Sharon E.	✓			
9. MAGAOAY, Michael Y.	✓			
10. MANAHAN, Joey	✓			
11. MIZUNO, John	✓			
12. NAKASONE, Bob	✓			
13. RHOADS, Karl	✓			
14. SAGUM, Roland D., III	✓			
15. TOKIOKA, James Kunane	✓			
16. AWANA, Karen Leinani	✓			
17. MEYER, Colleen Rose	<del>error</del>			✓
18. WARD, Gene, Ph.D.	<del>error</del>			✓
<b>TOTAL</b>	15	1	0	3
<b>The recommendation is:</b> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input checked="" type="checkbox"/> Adopted  <input type="checkbox"/> Not Adopted         </div> <div style="width: 45%;">           If joint referral, _____ did not support recommendation.  <small style="margin-left: 100px;">committee acronym(s)</small> </div> </div>				
<b>Vice Chair's or designee's signature:</b> <div style="font-size: 1.5em; font-family: cursive; text-align: center; margin-top: 10px;"> <span style="font-size: 2em;">Marilyn B. Lee</span> </div>				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – HMSO    Duplicate (Pink) – Clerk's Office				