

STAND. COM. REP. NO.

797

Honolulu, Hawaii

MAR 02 2007

RE: S.B. No. 1133
S.D. 3

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1133, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to authorize the Department of Taxation to include information on experiential learning opportunities provided to public school students by taxpayers that receive certain technology related tax credits.

Prior to the decision making hearing, your Committee circulated a Proposed S.B. No. 1133, S.D. 3. The purpose of the Proposed S.B. No. 1133, S.D. 3 is to increase the rental motor vehicle and tour van surcharge tax by \$1 for each category of rental and tour vehicle.

The Tax Foundation of Hawaii provided written comments on the concept of the surcharge tax increase.

Your Committee finds that the proposed S.D. 3 version of this measure would ensure additional revenue for the State Highway Fund. Your Committee further finds that all rental vehicles should share in the increase, but that further discussion is necessary to determine the proportionate share of the increase for tour vehicles with larger seat capacities.

Your Committee has amended the Proposed S.B. No. 1133, S.D. 3, accordingly, by changing the increase for the two

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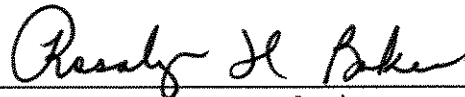


categories contained in the tour vehicle surcharge tax from \$1 to an unspecified amount.

Your Committee also requests that, should this measure be the subject of deliberations by a Conference Committee, that members representing the Committee on Commerce, Consumer Protection and Affordable Housing and the Committee on Transportation and International Affairs be included in the Conference Committee membership.

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. 1133, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1133, S.D. 3.

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



ROSALYN H. BAKER, Chair



