

STAND. COM. REP. NO.

751

Honolulu, Hawaii

MAR 02 2007

RE: S.B. No. 1882
S.D. 2

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. 1882, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to establish a food income tax credit in an unspecified amount.

Written comments supporting the intent of this measure was submitted by the Department of Taxation. Written comments on this measure were submitted by the Tax Foundation of Hawaii.

Your Committee finds that a food income tax credit should be established. However, proposals to exempt such transactions from the general excise tax should be weighed carefully. To this end, your Committee supports continued discussion on this issue.

Your Committee has amended this measure by making technical amendments for clarity.

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. 1882, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1882, S.D. 2.



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



ROSALYN H. BAKER, Chair



