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## A BILL FOR AN ACT

RELATING TO INTERNATIONAL LEARNING MISSIONS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Chapter 235, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§235-A   Credit for sponsorship of children to participate  
5 in international learning missions.       (a) There shall be  
6 allowed to each corporation, including a corporation carrying on  
7 business in partnership, subject to the tax imposed by part IV  
8 of this chapter, a credit for sponsoring children to participate  
9 in international learning missions which shall be deductible  
10 from the corporation's net tax liability, if any, imposed by  
11 this chapter for the taxable year in which the credit is  
12 properly claimed.

13           (b) The amount of the credit determined under this section  
14 for the taxable year shall be equal to one hundred per cent of  
15 the qualified costs of sponsoring a child to participate in an  
16 international learning mission, provided that sponsorship of  
17 more than one child shall be allowed, however, the credit  
18 allowed for sponsorship of each subsequent child shall be



1 reduced by an additional twenty per cent, with no credit being  
2 allowed for sponsorship of a sixth child.

3 (c) For purposes of this section:

4 "International learning mission" means an educational  
5 program through an accredited educational institution that  
6 requires living, traveling, and studying abroad for academic  
7 credit at the accredited educational institution.

8 "Qualified costs" means any costs required for a child to  
9 participate in an international learning mission, including,  
10 travel, boarding, food, registration or other associated fees,  
11 and educational supplies.

12 (d) The credit allowed under this section shall be claimed  
13 against net corporation income tax liability for the taxable  
14 year. A tax credit under this section which exceeds the  
15 corporation's income tax liability may be used as a credit  
16 against the corporation's income tax liability in subsequent  
17 years until exhausted.

18 (e) All claims for credits under this section, including  
19 any amended claims, shall be filed on or before the end of the  
20 twelfth month following the close of the taxable year for which  
21 the credits may be claimed. Failure to comply with the



1 foregoing provision shall constitute a waiver of the right to  
2 claim the credit.

3 (f) The director of taxation may adopt any rules under  
4 chapter 91 and forms necessary to carry out this section."

5 SECTION 2. New statutory material is underscored.

6 SECTION 3. This Act shall take effect on July 1, 2008.

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**Report Title:**

Tax credit; international learning missions

**Description:**

Provides a tax credit for sponsorship of children that undertake international learning missions.

