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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-       Sponsorship of student and teacher participation  
5 in international learning missions; tax credit. (a) There  
6 shall be allowed to each corporation, including a corporation  
7 carrying on business in partnership, subject to the tax imposed  
8 by part IV of this chapter, a credit for sponsoring the  
9 participation of students and teachers in international learning  
10 missions which shall be deductible from the corporation's net  
11 tax liability, if any, imposed by this chapter for the taxable  
12 year in which the credit is 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 student or teacher to  
16 participate in an international learning mission; provided that  
17 there shall be no credit for the sponsorship of a sixth student



1 or teacher. The credit allowed for sponsorship of each  
2 subsequent student or teacher shall be reduced as follows:

3 (1) Eighty per cent of the qualified costs for the second  
4 student or teacher;

5 (2) Sixty per cent of the qualified costs for the third  
6 student or teacher;

7 (3) Forty per cent of the qualified costs for the fourth  
8 student or teacher; and

9 (4) Twenty per cent of the qualified costs for the fifth  
10 student or teacher.

11 (c) For purposes of this section:

12 "International learning mission" for a student, means an  
13 educational program through an accredited educational  
14 institution that requires students to live, travel, and study  
15 abroad to obtain academic credit at the accredited educational  
16 institution. A teacher who accompanies a student on an  
17 international learning mission or who participates in an  
18 international learning mission for work purposes shall qualify  
19 for a tax credit under this section.

20 "Qualified costs" means any costs required for a student or  
21 teacher to participate in an international learning mission



1 including travel, boarding, food, registration, or other  
2 associated fees, and educational supplies.

3 (d) The credit allowed under this section shall be claimed  
4 against net corporation income tax liability for the taxable  
5 year. A tax credit under this section which exceeds the  
6 corporation's income tax liability may be used as a credit  
7 against the corporation's income tax liability in subsequent  
8 years until exhausted.

9 (e) All claims for credits under this section including  
10 any amended claims shall be filed on or before the end of the  
11 twelfth month following the close of the taxable year for which  
12 the credits may be claimed. Failure to comply with the  
13 foregoing provision shall constitute a waiver of the right to  
14 claim the credit.

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

17 SECTION 2. New statutory material is underscored.

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



**Report Title:**

Tax Credit; International Learning Missions

**Description:**

Provides a tax credit for sponsorship of students or teachers that undertake international learning missions. (HB2624 HD1)

