

JAN 24 2007

A BILL FOR AN ACT

RELATING TO INCOME TAX CREDITS FOR RESIDENTIAL EMERGENCY SAFE ROOMS

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- Residential emergency safe room tax credit. (a)

5 There shall be allowed to each taxpayer, subject to the taxes
6 imposed by this chapter, a residential emergency safe room
7 construction and remodeling tax credit that shall be deductible
8 from the taxpayer's net income tax liability, if any, imposed by
9 this chapter for the taxable year in which the credit is
10 properly claimed.

11 (b) The tax credit shall be \$1,800; provided that the
12 taxpayer constructs a home safe room able to withstand category
13 5 hurricanes and significant earthquakes.

14 (c) If the tax credit under this section exceeds the
15 taxpayer's income tax liability, the excess credit over
16 liability shall be credited against other amounts due, if any,



1 and or may be used as a credit against the taxpayer's income tax
2 liability in subsequent years until exhausted. All claims for a
3 tax credit under this section shall be filed on or before the
4 end of the twelfth month following the close of the taxable year
5 for which the credit may be claimed. Failure to comply with the
6 foregoing provision shall constitute a waiver of the right to
7 claim the credit.

8 (d) The director of taxation shall prepare any forms that
9 may be necessary to claim a credit under this section. The
10 director may also require the taxpayer to provide information to
11 ascertain the validity of the claim for credit made under this
12 section and may adopt rules necessary to effectuate the purposes
13 of this section pursuant to chapter 91.

14 (e) The tax credit allowed under this section shall be
15 available for taxable years beginning after December 31, 2006.

16 (f) All of the provisions relating to assessments and
17 refunds under this chapter and under section 231-23(c)(1) shall
18 apply to the tax credit under this section."

19 SECTION 2. New statutory material is underscored.

20 SECTION 3. This Act shall take effect on July 1, 2007.

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S.B. NO. 1893

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Report Title:

Tax credits; residential emergency safe rooms

Description:

Provides an income tax credit for taxpayers who install residential emergency safe rooms that are able to withstand category 5 hurricanes and significant earthquakes.

