

STAND. COM. REP. NO. 948 -08

Honolulu, Hawaii
Feb 29, 2008

RE: H.B. No. 2456
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2456, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to extend certain options available to married persons under state tax laws to the parties in a reciprocal beneficiary relationship. Specifically, this bill excludes from gross income, adjusted gross income, and taxable income, the value of health insurance and other direct or indirect benefits provided by an employer to an employee, in excess of what the employer provides or would provide to single employees, when such benefits are provided to the employee due to the employee's status as a reciprocal beneficiary or a domestic partner.

The Department of Taxation, Hawaii Civil Rights Commission, and Tax Foundation of Hawaii offered comments on this bill.

Your Committee has amended this bill by:

- (1) Changing its effective date to January 1, 2020, to encourage further discussion;
- (2) Inserting a provision that if enacted, the amendments made to section 235-7(a), Hawaii Revised Statutes, by this bill shall not be repealed when that section is



reenacted on January 1, 2013, by section 3 of Act 166,
Session Laws of Hawaii 2007; and

- (3) Making technical, nonsubstantive amendments for clarity,
consistency, and style.

As affirmed by the record of votes of the members of your
Committee on Finance that is attached to this report, your
Committee is in accord with the intent and purpose of H.B. No.
2456, H.D. 1, as amended herein, and recommends that it pass Third
Reading in the form attached hereto as H.B. No. 2456, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



