

Honolulu, Hawaii
Feb 29, 2008

RE: H.B. No. 2985
H.D. 1

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. 2985, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

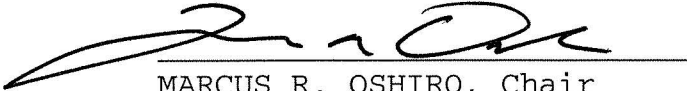
The purpose of this bill is to provide incentives to improve Hawaii's hotel facilities by establishing a temporary income tax credit equal to fifteen percent of the renovation costs incurred for a hotel facility for the taxable years beginning after December 31, 2013, and ending before January 1, 2020.

The Hawaii Tourism Authority testified in support of this bill. The Tourism Liaison of the Department of Business, Economic Development, and Tourism opposed this measure. The Department of Taxation, Tax Foundation of Hawaii, and Hawaii Hotel and Lodging Association offered comments.

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. 2985, H.D. 1, and recommends that it pass Third Reading.



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


MARCUS R. OSHIRO, Chair



