STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 2 9 2008

RE: S.B. No. 2153 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2153 entitled:

"A BILL FOR AN ACT RELATING TO INCOME TAX CREDIT,"

begs leave to report as follows:

The purpose of this measure is to provide a one-time mandatory income tax credit pursuant to article VII, section 6, of the Hawaii State Constitution.

Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that the State is required to issue a mandatory tax credit when the balance of the general fund at the close of each of two successive fiscal years has exceeded five per cent of the general fund revenues for both fiscal years. The tax credit amount under this measure follows a sliding scale based on the adjusted gross income of a taxpayer.

Your Committee has amended the measure by changing the effective date to July 1, 2050 to promote further discussion on this matter.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2153, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2153, S.D. 1.

SB2153 SD1 SSCR LRB 08-2382.doc



Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ROSALYN H. BAKER, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 2/53 EDT, 1		WAM	1	2/25/08	
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)					
TSUTSUI, Shan S. (VC)					
CHUN OAKLAND, Suzanne					
ENGLISH, J. Kalani					
FUKUNAGA, Carol					
HOOSER, Gary L.					
INOUYE, Lorraine R.					/
KIM, Donna Mercado					
MENOR, Ron					
TOKUDA, JIII N.	**************************************				
HEMMINGS, Fred		man dan salah salah dan kalah salah s			unia ir atmus valgasiasas ir
WHALEN, Paul					
TOTAL		10	O	0	2
Recommendation:					
✓ Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

^{*}Only one measure per Record of Votes