

Honolulu, Hawaii

FEB 08 2007

RE: S.B. No. 763

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and
Affordable Housing, to which was referred S.B. No. 763 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to provide additional
assistance to low-income renters by providing an increase in the
low-income household renter tax credit.

Your Committee received testimony in support of this measure
from one individual. The Department of Taxation provided comments
on this measure.

Your Committee finds that the lack of affordable rentals and
the continual increase in rent prices makes it difficult for low-
income renters to be able to find affordable rentals and to
continue to pay their ever increasing rent. This tax credit,
which has not been increased since 1981, will provide some
assistance to low-income renters by increasing the tax credit for
low-income household renters to an unspecified amount, to be
multiplied by the number of qualified exemptions, for taxable
years beginning December 31, 2006.

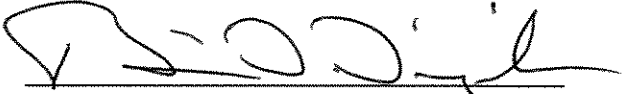
The Department of Taxation testified that, because the amount
of the tax credit is unspecified, they are not able to ascertain
the measure's fiscal impact.

As affirmed by the record of votes of the members of your
Committee on Commerce, Consumer Protection, and Affordable Housing



that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 763 and recommends that it pass Second Reading and be referred to the Committee on Economic Development and Taxation.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Affordable
Housing,


BRIAN T. TANIGUCHI, Chair



