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# A BILL FOR AN ACT

RELATING TO TAXATION.

**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-    Tax credits; ineligibility.    Notwithstanding any  
5 other law to the contrary, no taxpayer shall be eligible to  
6 claim any tax credit under this chapter on grants received from  
7 the federal government."

8           SECTION 2. This Act does not affect rights and duties that  
9 matured, penalties that were incurred, and proceedings that were  
10 begun, before its effective date.

11          SECTION 3. New statutory material is underscored.

12          SECTION 4. This Act shall take effect on July 1, 2020, and  
13 shall apply to taxable years beginning after December 31, 2019.



**Report Title:**

Tax Credits

**Description:**

Prohibits recipients of federal grants from qualifying for state tax credits. (HB1739 HD1)

