

JAN 23 2009

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# A BILL FOR AN ACT

RELATING TO HEALTH.

**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- Organ donation; tax deduction. (a) There shall  
5 be allowed to every individual taxpayer as a deduction from  
6 adjusted gross income, an amount not to exceed \$10,000, to cover  
7 any expenses incurred by the taxpayer that are the direct result  
8 of donation by the taxpayer of the taxpayer's organ.

9           (b) To qualify for the deduction, the taxpayer donor shall  
10 have been alive at the time of the donation, a full-time  
11 resident of the State, and donated one or more of the taxpayer  
12 donor's organs to another human being for organ transplantation.

13           (c) A taxpayer may claim the deduction under this section  
14 only in a taxable year in which an unreimbursed expense was  
15 incurred and only for the following unreimbursed expenses:

- 16           (1) Travel expenses;  
17           (2) Lodging expenses; and



- 1        (3) Lost wages; or if self-employed, lost income.
- 2        (d) The director of taxation:
- 3        (1) Shall prepare forms that may be necessary to claim a
- 4        tax deduction under this section;
- 5        (2) May require proof of the claim for the tax deduction;
- 6        and
- 7        (3) May adopt rules pursuant to chapter 91 to effectuate
- 8        this section; including rules to clarify the expenses
- 9        that qualify under this section under subsection (c).
- 10       (e) For the purposes of this section, "organ" means all or
- 11       part of a human liver, pancreas, kidney, intestine, or lung, and
- 12       includes bone marrow."

SECTION 2. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval and apply to organ donations that occur during taxable years beginning after December 31, 2008.

INTRODUCED BY:

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**Report Title:**

Organ Donation; Tax Deduction

**Description:**

Provides a tax deduction for individuals who donate their organs.

