

STAND. COM. REP. NO.

757

Honolulu, Hawaii

March 6, 2009

RE: H.B. No. 1153

H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1153, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII
INCOME TAX LAW TO THE INTERNAL REVENUE CODE,"

begs leave to report as follows:

The purpose of this bill is to amend Hawaii's income tax law to conform with changes to the Internal Revenue Code made by Congress in 2008.

The Department of Taxation testified in support of this bill. The Tax Foundation of Hawaii submitted comments.

In 2008, Congress enacted several significant tax measures to stimulate the economy and provide taxpayer relief. Because the cost of conforming state income tax law to these new federal laws is significant in terms of reduced tax revenues, this bill does not conform state income tax law to changes that historically the State has not conformed its laws and those changes for which other means of taxpayer relief exist.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2020; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

HB1153 HD2 HSCR FIN HMS 2009-2689



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. 1153, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1153, H.D. 2, and be placed on the calendar for Third Reading.

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


MARCUS R. OSHIRO, Chair



