

STAND. COM. REP. NO. 750

Honolulu, Hawaii
March 6, 2009

RE: H.B. No. 1544
H.D. 1

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. 1544 entitled:

"A BILL FOR AN ACT RELATING TO TAX EXEMPTIONS,"

begs leave to report as follows:

The purpose of this bill is to ensure fairness in the payment of taxes by conforming state tax exemptions to personal exemption phase-out limitation thresholds, reduced by 25 percent, contained in the Internal Revenue Code of 1986, as amended.

The Department of Taxation and Hawaii Tax Foundation provided comments on this bill.

Your Committee has amended this bill by:

- (1) Providing that the threshold amounts contained in section 151(d)(3) of the Internal Revenue Code of 1986, as amended, that are used to determine the Hawaii phase-out amounts, shall be maintained at the amounts in place on July 1, 2008; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.


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.

HB1544 HD1 HSCR FIN HMS 2009-2700



1544, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1544, H.D. 1, 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



