

STAND. COM. REP. NO. 754

Honolulu, Hawaii

March 6, 2009

RE: H.B. No. 1739
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. 1739 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to prohibit taxpayers from using grants or moneys from the federal government as the basis for claiming a state tax credit.

The County of Hawaii Office of Housing and Community Development; Pacific Light and Power, LLP; Kobayashi Development Group LLC; NovaSol; Oceanit; Pipeline Micro; Pacific LightNet; DRC; Cellular Bioengineering, Inc.; Archinoetics, LLC; Hyperspective Studios; Island Film Group; Claim Check; The Mutual Housing Association of Hawaii, Inc.; Puko'a Scientific; Accuity LLP; Hawaii Crop Improvement Association; Hawaii Science & Technology Council; Edutainment Resources, Inc.; Shinkawa Limited; Aloha Island, Inc.; Real-Time Genomics, LLC; OmniGreen Renewables LLC; Oceantronics Inc.; SEE/RESCUE Corporation; Pacific Housing Assistance Corporation; Ocean Engineering and Energy Systems, Inc.; Natural Power Concepts; Tradewinds Forest Products; Cardax Pharmaceuticals, Inc.; PacifiCap Group; and several individuals opposed this bill. The Hawaii Housing Finance and Development Corporation, Department of Taxation, Hawaii Association of REALTORS, Tax Foundation of Hawaii, and several individuals offered comments.

HB1739 HD1 HSCR FIN HMS 2009-2723

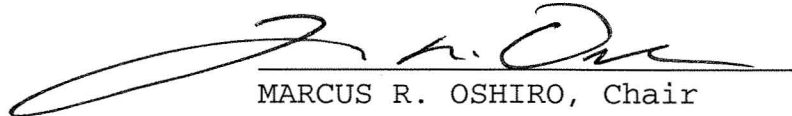


Your Committee has amended this bill by:

- (1) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for consistency, clarity, 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. 1739, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1739, 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



