

STAND. COM. REP. NO.

725

Honolulu, Hawaii

March 6, 2009

RE: H.B. No. 35
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. 35
entitled:

"A BILL FOR AN ACT RELATING TO INCOME TAX CREDIT,"

begs leave to report as follows:

The purpose of this bill is to meet the requirements of Article VII, section 6, of the Hawaii Constitution which mandates that a tax refund or tax credit be provided to Hawaii taxpayers when the state general fund balance at the close of each of two successive fiscal years exceeds five percent of the general fund revenues for each of the two fiscal years.

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

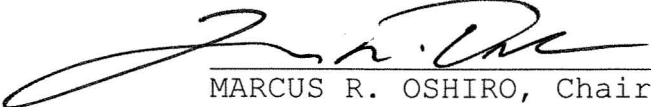
Your Committee has amended this bill by:

- (1) Specifying that the general income tax credit shall be \$1; 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. 35, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 35, 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



