

STAND. COM. REP. NO.

51

Honolulu, Hawaii

Feb 6, 2009

RE: H.B. No. 699
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 Health, to which was referred H.B. No. 699
entitled:

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

begs leave to report as follows:

The purpose of this bill is to encourage and support the growth and advancement of medical technology research in Hawaii by providing a Medical Technology Research Tax Credit (Tax Credit) for qualified individuals and corporations that conduct research to benefit children and the elderly with respect to acute health problems, health care in rural areas of the state, and disease prevention.

The Hawaii Medical Service Association supported this bill. The Department of Taxation opposed this measure. The Tax Foundation of Hawaii submitted comments.

Your Committee has amended this bill by:

- (1) Setting the Tax Credit at ten percent of the costs related to conducting medical technology research;
- (2) Providing that no refund or payment be made through the Tax Credit for amounts less than \$25,000;

HB699 HD1 HSCR HLT HMS 2009-1673



- (3) Ensuring that no taxpayer will receive more than one available credit for the same qualified costs claimed under the Tax Credit;
- (4) Extending the time period the Tax Credit will be available to December 31, 2013; and
- (5) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 699, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 699, H.D. 1, and be referred to the Committee on Economic Revitalization, Business, & Military Affairs.

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

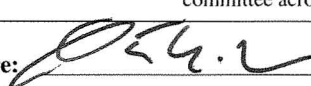


RYAN I. YAMANE, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

Record of Votes of the Committee on Health

Bill/Resolution No.: HB 699	Committee Referral: HLT, EBM, FIN	Date: 1-30-09		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. BELATTI, Della Au	/			/
4. BERTRAM, Joe, III	/			
5. BROWER, Tom	/			
6. CARROLL, Mele				/
7. MIZUNO, John M.	/			
8. SHIMABUKURO, Maile S.L.	/			
9. FINNEGAN, Lynn	/			
TOTAL (9)	7			2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				