
A BILL FOR AN ACT

RELATING TO TAXATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 235-51, Hawaii Revised Statutes, is
2 amended by amending subsections (a), (b), and (c) to read as
3 follows:

4 "(a) There is hereby imposed on the taxable income of (1)
5 every taxpayer who files a joint return under section 235-93;
6 and (2) every surviving spouse a tax determined in accordance
7 with the following table:

8 In the case of any taxable year beginning after
9 December 31, 2001:

10	If the taxable income is:	The tax shall be:
11	Not over \$4,000	1.40% of taxable income
12	Over \$4,000 but	\$56.00 plus 3.20% of
13	not over \$8,000	excess over \$4,000
14	Over \$8,000 but	\$184.00 plus 5.50% of
15	not over \$16,000	excess over \$8,000
16	Over \$16,000 but	\$624.00 plus 6.40% of
17	not over \$24,000	excess over \$16,000
18	Over \$24,000 but	\$1,136.00 plus 6.80% of



1	not over \$32,000	excess over \$24,000
2	Over \$32,000 but	\$1,680.00 plus 7.20% of
3	not over \$40,000	excess over \$32,000
4	Over \$40,000 but	\$2,256.00 plus 7.60% of
5	not over \$60,000	excess over \$40,000
6	Over \$60,000 but	\$3,776.00 plus 7.90% of
7	not over \$80,000	excess over \$60,000
8	Over \$80,000	\$5,356.00 plus 8.25% of
9		excess over \$80,000.

10 In the case of any taxable year beginning after
11 December 31, 2006:

12	If the taxable income is:	The tax shall be:
13	Not over \$4,800	1.40% of taxable income
14	Over \$4,800 but	\$67.00 plus 3.20% of
15	not over \$9,600	excess over \$4,800
16	Over \$9,600 but	\$221.00 plus 5.50% of
17	not over \$19,200	excess over \$9,600
18	Over \$19,200 but	\$749.00 plus 6.40% of
19	not over \$28,800	excess over \$19,200
20	Over \$28,800 but	\$1,363.00 plus 6.80% of
21	not over \$38,400	excess over \$28,800
22	Over \$38,400 but	\$2,016.00 plus 7.20% of



1	not over \$48,000	excess over \$38,400
2	Over \$48,000 but	\$2,707.00 plus 7.60% of
3	not over \$72,000	excess over \$48,000
4	Over \$72,000 but	\$4,531.00 plus 7.90% of
5	not over \$96,000	excess over \$72,000
6	Over \$96,000	\$6,427.00 plus 8.25% of
7		excess over \$96,000.

8 In the case of any taxable year beginning after December
9 31, 2008[+] and ending before January 1, 2010:

10	If the taxable income is:	The tax shall be:
11	Not over \$4,800	1.40% of taxable income
12	Over \$4,800 but	\$67.00 plus 3.20% of
13	not over \$9,600	excess over \$4,800
14	Over \$9,600 but	\$221.00 plus 5.50% of
15	not over \$19,200	excess over \$9,600
16	Over \$19,200 but	\$749.00 plus 6.40% of
17	not over \$28,800	excess over \$19,200
18	Over \$28,800 but	\$1,363.00 plus 6.80% of
19	not over \$38,400	excess over \$28,800
20	Over \$38,400 but	\$2,016.00 plus 7.20% of
21	not over \$48,000	excess over \$38,400
22	Over \$48,000 but	\$2,707.00 plus 7.60% of



1	not over \$72,000	excess over \$48,000
2	Over \$72,000 but	\$4,531.00 plus 7.90% of
3	not over \$96,000	excess over \$72,000
4	Over \$96,000 but	\$6,427.00 plus 8.25% of
5	not over \$300,000	excess over \$96,000
6	Over \$300,000 but	\$23,257.00 plus 9.00% of
7	not over \$350,000	excess over \$300,000
8	Over \$350,000 but	\$27,757.00 plus 10.00% of
9	not over \$400,000	excess over \$350,000
10	Over \$400,000	\$32,757.00 plus 11.00% of
11		excess over \$400,000.

12 In the case of any taxable year beginning after December
 13 31, 2009 and ending before January 1, 2016:

14	<u>If the taxable income is:</u>	<u>The tax shall be:</u>
15	<u>Not over \$4,800</u>	<u>1.40% of taxable income</u>
16	<u>Over \$4,800 but</u>	<u>\$67.00 plus 3.20% of</u>
17	<u>not over \$9,600</u>	<u>excess over \$4,800</u>
18	<u>Over \$9,600 but</u>	<u>\$221.00 plus 5.50% of</u>
19	<u>not over \$19,200</u>	<u>excess over \$9,600</u>
20	<u>Over \$19,200 but</u>	<u>\$749.00 plus 6.40% of</u>
21	<u>not over \$28,800</u>	<u>excess over \$19,200</u>
22	<u>Over \$28,800 but</u>	<u>\$1,431.00 plus 7.15% of</u>



1	<u>not over \$38,400</u>	<u>excess over \$28,800</u>
2	<u>Over \$38,400 but</u>	<u>\$2,117.00 plus 7.55% of</u>
3	<u>not over \$48,000</u>	<u>excess over \$38,400</u>
4	<u>Over \$48,000 but</u>	<u>\$2,842.00 plus 8.00% of</u>
5	<u>not over \$72,000</u>	<u>excess over \$48,000</u>
6	<u>Over \$72,000 but</u>	<u>\$4,758.00 plus 8.30% of</u>
7	<u>not over \$96,000</u>	<u>excess over \$72,000</u>
8	<u>Over \$96,000 but</u>	<u>\$6,748.00 plus 8.65% of</u>
9	<u>not over \$300,000</u>	<u>excess over \$96,000</u>
10	<u>Over \$300,000 but</u>	<u>\$24,420.00 plus 9.45% of</u>
11	<u>not over \$350,000</u>	<u>excess over \$300,000</u>
12	<u>Over \$350,000 but</u>	<u>\$29,145.00 plus 10.50% of</u>
13	<u>not over \$400,000</u>	<u>excess over \$350,000</u>
14	<u>Over \$400,000</u>	<u>\$34,395.00 plus 11.55% of</u>
15		<u>excess over \$400,000.</u>

16 (b) There is hereby imposed on the taxable income of every
17 head of a household a tax determined in accordance with the
18 following table:

19 In the case of any taxable year beginning after
20 December 31, 2001:

21	If the taxable income is:	The tax shall be:
22	Not over \$3,000	1.40% of taxable income



1	Over \$3,000 but	\$42.00 plus 3.20% of
2	not over \$6,000	excess over \$3,000
3	Over \$6,000 but	\$138.00 plus 5.50% of
4	not over \$12,000	excess over \$6,000
5	Over \$12,000 but	\$468.00 plus 6.40% of
6	not over \$18,000	excess over \$12,000
7	Over \$18,000	\$852.00 plus 6.80% of
8	but not over \$24,000	excess over \$18,000
9	Over \$24,000 but	\$1,260.00 plus 7.20% of
10	not over \$30,000	excess over \$24,000
11	Over \$30,000 but	\$1,692.00 plus 7.60% of
12	not over \$45,000	excess over \$30,000
13	Over \$45,000 but	\$2,832.00 plus 7.90% of
14	not over \$60,000	excess over \$45,000
15	Over \$60,000	\$4,017.00 plus 8.25% of
16		excess over \$60,000.

17 In the case of any taxable year beginning after

18 December 31, 2006:

19	If the taxable income is:	The tax shall be:
20	Not over \$3,600	1.40% of taxable income
21	Over \$3,600 but	\$50.00 plus 3.20% of
22	not over \$7,200	excess over \$3,600



1	Over \$7,200 but	\$166.00 plus 5.50% of
2	not over \$14,400	excess over \$7,200
3	Over \$14,400 but	\$562.00 plus 6.40% of
4	not over \$21,600	excess over \$14,400
5	Over \$21,600 but	\$1,022.00 plus 6.80% of
6	not over \$28,800	excess over \$21,600
7	Over \$28,800 but	\$1,512.00 plus 7.20% of
8	not over \$36,000	excess over \$28,800
9	Over \$36,000 but	\$2,030.00 plus 7.60% of
10	not over \$54,000	excess over \$36,000
11	Over \$54,000 but	\$3,398.00 plus 7.90% of
12	not over \$72,000	excess over \$54,000
13	Over \$72,000	\$4,820.00 plus 8.25% of
14		excess over \$72,000.

15 In the case of any taxable year beginning after
16 December 31, 2008[+] and ending before January 1, 2010:

17	If the taxable income is:	The tax shall be:
18	Not over \$3,600	1.40% of taxable income
19	Over \$3,600 but	\$50.00 plus 3.20% of
20	not over \$7,200	excess over \$3,600
21	Over \$7,200 but	\$166.00 plus 5.50% of
22	not over \$14,400	excess over \$7,200

1	Over \$14,400 but	\$562.00 plus 6.40% of
2	not over \$21,600	excess over \$14,400
3	Over \$21,600 but	\$1,022.00 plus 6.80% of
4	not over \$28,800	excess over \$21,600
5	Over \$28,800 but	\$1,512.00 plus 7.20% of
6	not over \$36,000	excess over \$28,800
7	Over \$36,000 but	\$2,030.00 plus 7.60% of
8	not over \$54,000	excess over \$36,000
9	Over \$54,000 but	\$3,398.00 plus 7.90% of
10	not over \$72,000	excess over \$54,000
11	Over \$72,000 but	\$4,820.00 plus 8.25% of
12	not over \$225,000	excess over \$72,000
13	Over \$225,000 but	\$17,443.00 plus 9.00% of
14	not over \$262,500	excess over \$225,000
15	Over \$262,500 but	\$20,818.00 plus 10.00% of
16	not over \$300,000	excess over \$262,500
17	Over \$300,000	\$24,568.00 plus 11.00% of
18		excess over \$300,000.

19 In the case of any taxable year beginning after
20 December 31, 2009 and ending before January 1, 2016:

21	<u>If the taxable income is:</u>	<u>The tax shall be:</u>
22	<u>Not over \$3,600</u>	<u>1.40% of taxable income</u>



1	<u>Over \$3,600 but</u>	<u>\$50.00 plus 3.20% of</u>
2	<u>not over \$7,200</u>	<u>excess over \$3,600</u>
3	<u>Over \$7,200 but</u>	<u>\$166.00 plus 5.50% of</u>
4	<u>not over \$14,400</u>	<u>excess over \$7,200</u>
5	<u>Over \$14,400 but</u>	<u>\$562.00 plus 6.40% of</u>
6	<u>not over \$21,600</u>	<u>excess over \$14,400</u>
7	<u>Over \$21,600 but</u>	<u>\$1,022.00 plus 6.80% of</u>
8	<u>not over \$28,800</u>	<u>excess over \$21,600</u>
9	<u>Over \$28,800 but</u>	<u>\$1,588.00 plus 7.55% of</u>
10	<u>not over \$36,000</u>	<u>excess over \$28,800</u>
11	<u>Over \$36,000 but</u>	<u>\$2,132.00 plus 8.00% of</u>
12	<u>not over \$54,000</u>	<u>excess over \$36,000</u>
13	<u>Over \$54,000 but</u>	<u>\$3,568.00 plus 8.30% of</u>
14	<u>not over \$72,000</u>	<u>excess over \$54,000</u>
15	<u>Over \$72,000 but</u>	<u>\$5,061.00 plus 8.65% of</u>
16	<u>not over \$225,000</u>	<u>excess over \$72,000</u>
17	<u>Over \$225,000 but</u>	<u>\$18,315.00 plus 9.45% of</u>
18	<u>not over \$262,500</u>	<u>excess over \$225,000</u>
19	<u>Over \$262,500 but</u>	<u>\$21,859.00 plus 10.50% of</u>
20	<u>not over \$300,000</u>	<u>excess over \$262,500</u>
21	<u>Over \$300,000</u>	<u>\$25,796.00 plus 11.55% of</u>
22		<u>excess over \$300,000.</u>



1 (c) There is hereby imposed on the taxable income of (1)
 2 every unmarried individual (other than a surviving spouse, or
 3 the head of a household) and (2) on the taxable income of every
 4 married individual who does not make a single return jointly
 5 with the individual's spouse under section 235-93 a tax
 6 determined in accordance with the following table:

7 In the case of any taxable year beginning after
 8 December 31, 2001:

If the taxable income is:	The tax shall be:
Not over \$2,000	1.40% of taxable income
Over \$2,000 but not over \$4,000	\$28.00 plus 3.20% of excess over \$2,000
Over \$4,000 but not over \$8,000	\$92.00 plus 5.50% of excess over \$4,000
Over \$8,000 but not over \$12,000	\$312.00 plus 6.40% of excess over \$8,000
Over \$12,000 but not over \$16,000	\$568.00 plus 6.80% of excess over \$12,000
Over \$16,000 but not over \$20,000	\$840.00 plus 7.20% of excess over \$16,000
Over \$20,000 but not over \$30,000	\$1,128.00 plus 7.60% of excess over \$20,000



H.B. NO. 2866

1	Over \$30,000 but	\$1,888.00 plus 7.90% of
2	not over \$40,000	excess over \$30,000
3	Over \$40,000	\$2,678.00 plus 8.25% of
4		excess over \$40,000.

5 In the case of any taxable year beginning after
6 December 31, 2006:

7	If the taxable income is:	The tax shall be:
8	Not over \$2,400	1.40% of taxable income
9	Over \$2,400 but	\$34.00 plus 3.20% of
10	not over \$4,800	excess over \$2,400
11	Over \$4,800 but	\$110.00 plus 5.50% of
12	not over \$9,600	excess over \$4,800
13	Over \$9,600 but	\$374.00 plus 6.40% of
14	not over \$14,400	excess over \$9,600
15	Over \$14,400 but	\$682.00 plus 6.80% of
16	not over \$19,200	excess over \$14,400
17	Over \$19,200 but	\$1,008.00 plus 7.20% of
18	not over \$24,000	excess over \$19,200
19	Over \$24,000 but	\$1,354.00 plus 7.60% of
20	not over \$36,000	excess over \$24,000
21	Over \$36,000 but	\$2,266.00 plus 7.90% of
22	not over \$48,000	excess over \$36,000



1	Over \$150,000 but	\$11,629.00 plus 9.00% of
2	not over \$175,000	excess over \$150,000
3	Over \$175,000 but	\$13,879.00 plus 10.00% of
4	not over \$200,000	excess over \$175,000
5	Over \$200,000	\$16,379.00 plus 11.00% of
6		excess over \$200,000.

7 In the case of any taxable year beginning after
8 December 31, 2009 and ending before January 1, 2016:

9	<u>If the taxable income is:</u>	<u>The tax shall be:</u>
10	<u>Not over \$2,400</u>	<u>1.40% of taxable income</u>
11	<u>Over \$2,400 but</u>	<u>\$34.00 plus 3.20% of</u>
12	<u>not over \$4,800</u>	<u>excess over \$2,400</u>
13	<u>Over \$4,800 but</u>	<u>\$110.00 plus 5.50% of</u>
14	<u>not over \$9,600</u>	<u>excess over \$4,800</u>
15	<u>Over \$9,600 but</u>	<u>\$374.00 plus 6.40% of</u>
16	<u>not over \$14,400</u>	<u>excess over \$9,600</u>
17	<u>Over \$14,400 but</u>	<u>\$682.00 plus 6.80% of</u>
18	<u>not over \$19,200</u>	<u>excess over \$14,400</u>
19	<u>Over \$19,200 but</u>	<u>\$1,008.00 plus 7.20% of</u>
20	<u>not over \$24,000</u>	<u>excess over \$19,200</u>
21	<u>Over \$24,000 but</u>	<u>\$1,422.00 plus 7.98% of</u>
22	<u>not over \$36,000</u>	<u>excess over \$24,000</u>



1	<u>Over \$36,000 but</u>	<u>\$2,379.00 plus 8.30% of</u>
2	<u>not over \$48,000</u>	<u>excess over \$36,000</u>
3	<u>Over \$48,000 but</u>	<u>\$3,375.00 plus 8.45% of</u>
4	<u>not over \$150,000</u>	<u>excess over \$48,000</u>
5	<u>Over \$150,000 but</u>	<u>\$12,210.00 plus 9.45% of</u>
6	<u>not over \$175,000</u>	<u>excess over \$150,000</u>
7	<u>Over \$175,000 but</u>	<u>\$14,573.00 plus 10.50% of</u>
8	<u>not over \$200,000</u>	<u>excess over \$175,000</u>
9	<u>Over \$200,000</u>	<u>\$17,198.00 plus 11.55% of</u>
10		<u>excess over \$200,000."</u>

11 SECTION 2. Act 60, Session Laws of Hawaii 2009, is amended
 12 by amending section 6 to read as follows:

13 "SECTION 6. This Act shall take effect upon approval,
 14 provided that:

- 15 (1) Section 2 shall apply to taxable years beginning after
 16 December 31, 2008;
- 17 (2) Sections 1 and 3 shall apply to taxable years beginning
 18 after December 31, 2010; and
- 19 (3) On December 31, 2015, this Act shall be repealed and
 20 sections 235-2.4(a) [~~235-51 (a), (b), and (c)~~], and
 21 235-54(a), Hawaii Revised Statutes, shall be reenacted



1 in the form in which they read on the day before the
2 effective date of this Act."

3 SECTION 3. Notwithstanding any other law to the contrary,
4 no penalty or interest under Title 14, Hawaii Revised Statutes,
5 shall be imposed because of any underpayment of tax by a
6 taxpayer or an employer attributable to the increase in the tax
7 rates under this measure until the latter of:

- 8 (1) Ninety days after the effective date of this Act; or
9 (2) Immediately, after the effective date of this Act,
10 when the taxpayer's estimated tax payment is due.

11 SECTION 4. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 5. This Act shall take effect upon its approval.

14

INTRODUCED BY:

Calvin K. Iy

JAN 27 2010



Report Title:

Taxation; Income Tax Rates

Description:

Adjusts income tax rates for taxable years beginning after December 31, 2009 and ending before January 1, 2016.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

