
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. The legislature finds that the current economic
2 crisis and the resulting dire financial forecasts require a
3 thorough investigation into ways to reduce state expenses
4 wherever possible. Expenses that were funded in the past when
5 state funds were available, may now be inappropriate,
6 considering the billion dollar state deficit that looms ahead.

7 The purpose of this Act is to reduce current state expenses
8 by removing until December 31, 2015, the refunding feature of
9 the capital goods excise tax credit.

10 SECTION 2. Section 235-110.7, Hawaii Revised Statutes, is
11 amended by amending subsection (b) to read as follows:

12 "(b) If the capital goods excise tax credit allowed under
13 subsection (a) exceeds the taxpayer's net income tax liability,
14 the excess of credit over liability shall be refunded to the
15 taxpayer; provided that from January 1, 2010 to December 31,
16 2015, the excess credit shall not be refunded, but may be
17 claimed in subsequent years until exhausted; provided that no



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1 refunds or payment on account of the tax credit allowed by this
2 section shall be made for amounts less than \$1.

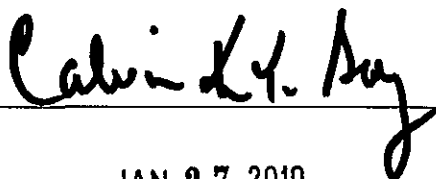
3 All claims for tax credits under this section, including
4 any amended claims, must be filed on or before the end of the
5 twelfth month following the close of the taxable year for which
6 the credits may be claimed. Failure to comply with the
7 foregoing provision shall constitute a waiver of the right to
8 claim the credit."

9 SECTION 3. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 4. This Act shall take effect upon its approval
12 and apply to taxable years beginning after December 31, 2009.

13

INTRODUCED BY:



JAN 27 2010



Report Title:

Capital Goods Excise Tax Credit

Description:

Removes the refunding feature of the capital goods excise tax credit from 01/01/10 to 12/31/15.

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

