
A BILL FOR AN ACT

RELATING TO TAX CREDITS.

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

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§235- Medical technology research tax credit. (a)

5 There shall be allowed to each individual or corporate taxpayer
6 who is not claimed, or is not otherwise eligible to be claimed,
7 as a dependent by another taxpayer for federal or state income
8 tax purposes a medical technology tax credit that shall be
9 deductible from the taxpayer's net income tax liability imposed
10 by this chapter for the taxable year in which the tax credit is
11 properly claimed.

12 For the purpose of this section, "medical technology" means
13 research conducted to benefit children and the elderly with
14 respect to acute health problems, health care in rural areas of
15 the State, and disease prevention.

16 (b) To qualify for the tax credit, the taxpayer shall be
17 in compliance with all applicable federal, state, and county
18 statutes, rules, and regulations.



1 (c) The tax credit shall be equal to per cent of the
2 costs related to conducting medical technology research.

3 (d) If the tax credit under this section exceeds the
4 taxpayer's net income tax liability, the amount of the excess
5 tax credit shall be paid to the eligible taxpayer; provided that
6 no refund or payment on account of the tax credit allowed by
7 this section shall be made for amounts less than \$1.

8 (e) Every claim, including amended claims, for the tax
9 credit under this section shall be filed on or before the end of
10 the twelfth month following the close of the taxable year for
11 which the tax credit may be claimed. Failure to meet the filing
12 requirements of this subsection shall constitute a waiver of the
13 right to claim the tax credit.

14 (f) The director of taxation:

15 (1) Shall prepare forms as may be necessary to claim a tax
16 credit under this section;

17 (2) May require proof of the claim for the tax credit; and

18 (3) May adopt rules pursuant to chapter 91 to effectuate
19 the purposes of this section."

20 SECTION 2. New statutory material is underscored.

21 SECTION 3. This Act shall take effect upon its approval
22 and shall apply to taxable years beginning after December 31,

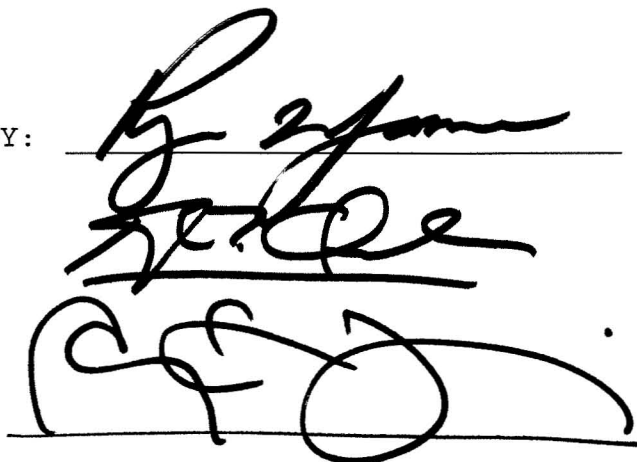


H.B. NO. 699

1 2008; provided that this Act shall be repealed on December 31,
2 2010.

3

INTRODUCED BY:

Three handwritten signatures are written over three horizontal lines. The top signature is in cursive and appears to be 'G. Ryan'. The middle signature is also in cursive and appears to be 'S. Lee'. The bottom signature is in cursive and appears to be 'C. F. O.'.

JAN 23 2009



Report Title:

Tax Credit; Medical Technology

Description:

Provides a tax credit for costs related to conducting medical technology research.

