

JAN 27 2010

A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Section 235-2.4, Hawaii Revised Statutes, is
2 amended by amending subsection (e) to read as follows:

3 "(e) Section 165 (with respect to losses) of the Internal
4 Revenue Code shall be operative for purposes of this chapter[
5 ~~except that Section 165(d) (with respect to wagering losses)~~
6 ~~shall not be operative for the purposes of this chapter]~~.

7 Section 165 as operative for this chapter shall also apply to
8 losses sustained from the sale of stocks or other interests
9 issued through the exercise of the stock options or warrants
10 granted by a qualified high technology business as defined in
11 section 235-7.3."

12 SECTION 2. Statutory material to be repealed is bracketed
13 and stricken.

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1 SECTION 3. This Act shall take effect upon its approval,
2 and shall apply to taxable years beginning after December 31,
3 2008.
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Report Title:

Hawaii State Income Tax; Establishes Wagering Loss Deduction

Description:

Establishes a wagering loss deduction for state income taxes.
Applies retroactively beginning after December 31, 2008.

