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## A BILL FOR AN ACT

RELATING TO INCOME TAX.

**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 the amount prescribed by Section 165(h) (1) (relating to the  
7 limitation per casualty) of the Internal Revenue Code shall be a  
8 \$100 limitation per casualty, and Sections 165(h) (3) (A) and  
9 165(h) (3) (B) (both of which relate to special rules for personal  
10 casualty gains and losses in federally declared disasters) of  
11 the Internal Revenue Code shall not be operative for purposes of  
12 this chapter. Section 165 as operative for this chapter shall  
13 also apply to losses sustained from the sale of stocks or other  
14 interests issued through the exercise of the stock options or  
15 warrants granted by a qualified high technology business as  
16 defined in section 235-7.3."

17           SECTION 2. Act 165, Session Laws of Hawaii 2009, is  
18 repealed.



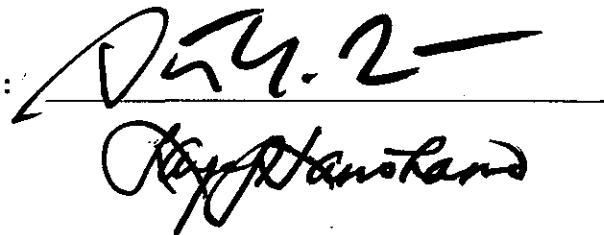
# H.B. NO. 2356

1 SECTION 3. Statutory material to be repealed is bracketed  
2 and stricken.

3 SECTION 4. This Act shall take effect upon its approval  
4 and shall apply retroactively to taxable years beginning after  
5 December 31, 2008.

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INTRODUCED BY:

A handwritten signature in black ink, appearing to read "Ray Hanover", is written over a horizontal line. The signature is stylized and cursive.

JAN 22 2010



**Report Title:**

Income Tax; Gambling Losses

**Description:**

Restores the limited state income tax deduction for gambling losses retroactively for taxable years beginning after 12/31/08.

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

