

Honolulu, Hawaii

April 12, 2010

RE: H.B. No. 1907  
H.D. 1  
S.D. 1  
C.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1907, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to address the State's fiscal challenges by temporarily:

- (1) Placing a cap on itemized deductions claimed on state income tax returns; and
- (2) Removing the refunding feature of the capital goods excise tax credit until January 1, 2016.



Your Committee on Conference has amended this bill by:

- (1) Changing the amounts at which itemized tax deductions claimed shall be capped and limiting the taxpayers to which the caps apply by adjusted gross income amounts, as follows:
  - (A) \$50,000 in the case of:
    - (i) A joint return of taxpayers with adjusted gross income of over \$300,000; or
    - (ii) A surviving spouse with adjusted gross income of over \$300,000;
  - (B) \$37,500 in the case of a head of household with adjusted gross income of over \$225,000;
  - (C) \$25,000 in the case of an individual with adjusted gross income of over \$150,000 who is not married and who is not a surviving spouse or head of household; and
  - (D) \$25,000 in the case of a married individual with adjusted gross income of over \$150,000 filing a separate return;
- (2) Changing the repeal date for the caps on the itemized deductions from December 31, 2015, to January 1, 2016;
- (3) Changing the effective date to July 1, 2010; provided that the provisions of the bill shall apply retroactive to January 1, 2010; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1907, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1907, H.D. 1, S.D. 1, C.D. 1.




Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

  
DONNA MERCADO KIM, Chair

  
MARCUS R. OSHIRO, Chair



Hawaii State Legislature

Record of Votes of a  
Conference Committee

CCR 2-10

Bill / Concurrent Resolution No.: HB 1907, HD 1, SD 1	Date/Time: <b>APRIL 12, 2010 9:30 AM</b>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

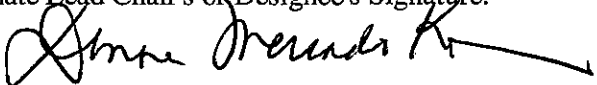
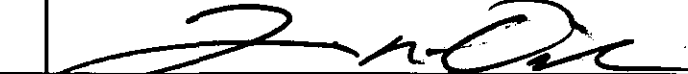
The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
KIM, Donna Mercado, Chr.	✓				OSHIRO, Marcus R., Chr.	✓			
KOKUBUN, Russell S.	✓				CHONG, Pono	✓			
KIDANI, Michelle	✓				CHOY, Isaac W.	✓			
					LEE, Marilyn B.	✓			
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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Distribution:      Original      Yellow      Pink      Goldenrod  
                                  File with Conference Committee Report      House Clerk's Office      Senate Clerk's Office      Drafting Agency