

STAND. COM. REP. NO. 530 -10

Honolulu, Hawaii

Feb 26, 2010

RE: H.B. No. 2866  
H.D. 1

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 2866 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to work to address the fiscal crisis facing Hawaii by adjusting income tax rates for taxable years beginning after December 31, 2009, and ending before January 1, 2016.

The Policy Advisory Board for Elder Affairs; United Public Workers, AFSCME, Local 646, AFL-CIO; and Hawaii Government Employees Association testified in support of this bill. The Department of Taxation opposed this measure. Tax Foundation of Hawaii provided comments.

Upon further consideration, your Committee has amended this bill by deleting its contents and replacing it with language that provides the State with the ability to capture the state death tax credit as it existed in the Internal Revenue Code on December 31, 2009.

HB2866 HD1 HSCR FIN HMS 2010-2214



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2866, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2866, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



MARCUS R. OSHIRO, Chair



