

Honolulu, Hawaii

Feb 26, 2010

RE: H.B. No. 2962
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. 2962 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to, beginning on July 1, 2010, temporarily defer deductions against a taxpayer's net income tax liability for claims under the Technology Infrastructure Renovation Tax Credit and High Technology Business Investment Tax Credit until July 1, 2013.

The Hawaii Venture Capital Association, PacifiCap Group, and a concerned individual testified in opposition to this bill. The Department of Taxation (DOTAX) and Tax Foundation of Hawaii offered comments.

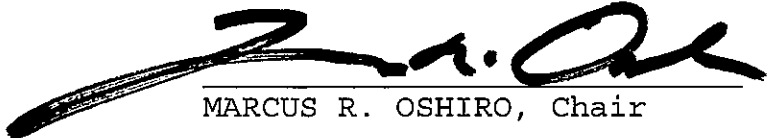
Your Committee has amended this bill by incorporating the suggestion of DOTAX to clarify that no tax liability shall be reduced by a credit under the Technology Infrastructure Renovation Tax Credit and High Technology Business Investment Tax Credit until July 1, 2013.

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. 2962, as amended herein, and recommends that it pass Second



Reading in the form attached hereto as H.B. No. 2962, 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



