
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 (1) to read as follows:

3 "(1) Section 179 (with respect to the election to expense
4 certain depreciable business assets) of the Internal Revenue
5 Code shall be operative for purposes of this chapter[, except
6 that provisions relating to:

7 ~~(1) The increase of the maximum deduction to \$100,000 for
8 taxable years beginning after 2002 and before 2008,
9 and the increase of the maximum deduction to \$125,000
10 for taxable years beginning after 2006 and before
11 2011, in section 179(b)(1);~~

12 ~~(2) The increase of the qualifying investment amount to
13 \$400,000 for taxable years beginning after 2002 and
14 before 2008, and the increase of the qualifying
15 investment amount to \$500,000 for taxable years
16 beginning after 2006 and before 2011, in section
17 179(b)(2);~~



1 ~~(3) The increase of the maximum deduction to \$250,000 and~~
2 ~~the increase of the qualifying investment amount to~~
3 ~~\$800,000 for taxable years beginning in 2008 or 2009,~~
4 ~~in section 179(b)(7);~~
5 ~~(4) Defining section 179 property to include computer~~
6 ~~software in section 179(d)(1);~~
7 ~~(5) Inflation adjustments in section 179(b)(5);~~
8 ~~(6) Irrevocable election in section 179(c)(2); and~~
9 ~~(7) Special rules for qualified disaster assistance~~
10 ~~property in section 179(e);~~
11 ~~shall not be operative for the purposes of this chapter]."~~

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 Statutory material to be repealed is bracketed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

14 SECTION 3. This Act shall take effect on July 1, 2112.



Report Title:

Income Tax; Internal Revenue Code; Depreciation

Description:

Conforms state income tax law with section 179 of the Internal Revenue Code relating to expensing of certain depreciable business assets. Effective July 1, 2112. (HB962 HD1)

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