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# A BILL FOR AN ACT

RELATING TO THE PROGRESSIVE TAX REFORM TASK FORCE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The legislature finds that Hawaii's income tax  
2 rates conform to a progressive structure. However, once certain  
3 high income favoring tax breaks are factored in, the resulting  
4 tax structure is skewed to favor those with the greatest ability  
5 to pay.

6       This regressive tax structure unfairly burdens those with  
7 the least ability to pay by taxing them at a significantly  
8 higher percentage of their total annual income than those with  
9 the greatest ability to pay.

10       The legislature is committed to resolving budgetary and tax  
11 challenges with the goal of creating a fair and progressive tax  
12 structure, so that those with the greatest means contribute a  
13 fairer proportional share of the tax burden; and when cuts are  
14 required, those most in need are spared.

15       The purpose of this Act is to establish a task force to  
16 identify the steps needed to reform Hawaii's tax laws to create  
17 a balanced and progressive tax structure.



1 SECTION 2. (a) There is established the progressive tax  
2 reform task force within the department of taxation for  
3 administrative purposes.

4 (b) The progressive tax reform task force shall consist of  
5 the following members:

6 (1) Two members to be appointed by the governor;

7 (2) Two members of the senate, to be appointed by the  
8 president of the senate;

9 (3) Two members of the house of representatives, to be  
10 appointed by the speaker of the house of  
11 representatives;

12 (4) The director of taxation or the director's designee;

13 (5) One member from the Legal Aid Society of Hawaii; and

14 (6) One member from the Tax Foundation of Hawaii.

15 (c) The task force shall:

16 (1) Identify the steps needed to reform Hawaii's tax laws  
17 to create a more balanced and progressive tax  
18 structure; and

19 (2) Become a resource to assist the director of taxation  
20 in creating a consistent, fair, and uniform tax  
21 structure in Hawaii.



1           (d) The members of the task force shall select the  
2 chairperson of the task force from among themselves. Members of  
3 the task force shall serve without compensation but shall be  
4 reimbursed for necessary expenses, including travel expenses,  
5 incurred in the performance of their official duties.

6           (e) The task force shall submit a report of its findings  
7 and recommendations to the legislature no later than twenty days  
8 prior to the convening of the 2012 regular session.

9           (f) The task force shall cease to exist on June 30, 2012.

10          SECTION 3. This Act shall take effect upon its approval.



**Report Title:**

Progressive Tax Reform Task Force

**Description:**

Establishes a task force within the Department of Taxation to reform Hawaii's tax laws. (HB1319 HD1)

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

