

STAND. COM. REP. NO. 825

Honolulu, Hawaii

March 8, 2011

RE: H.B. No. 1447
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1447, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE PERMITTED TRANSFERS IN TRUST ACT,"

begs leave to report as follows:

The purpose of this bill is to make the State more competitive in the national and local marketplace by amending the Permitted Transfers in Trust Act that governs transfers of property from a transferor to a trustee using an irrevocable trust instrument. Specifically this bill, among other things, deletes the one percent excise tax on the fair market value of all permitted transfers and increases flexibility as to the nature and extent of the assets that may be managed by Hawaii's private financial sector.

Bank of Hawaii, First Hawaiian Bank, and the Tax Department of the Cades Schutte law firm testified in support of this bill.

Your Committee has amended this bill by:

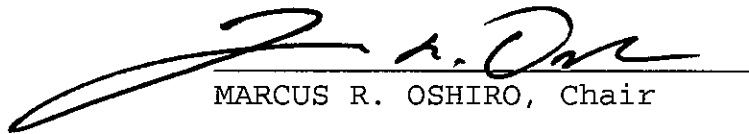
- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

HB1447 HD2 HSCR FIN HMS 2011-2734



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. 1447, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1447, H.D. 2.

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


MARCUS R. OSHIRO, Chair



