

STAND. COM. REP. NO.

665

Honolulu, Hawaii

March 4, 2011

RE: H.B. No. 794  
H.D. 1

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. 794  
entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to amend the State Income Tax Law  
by:

- (1) Placing a temporary cap on the amount of itemized  
deductions that may be claimed by a taxpayer; and
- (2) Suspending the refunding feature of the capital goods  
excise tax credit for eligible depreciable tangible  
personal property placed in service after December 31,  
2010, but before January 1, 2015.

The Department of Taxation supported this bill. A concerned  
individual opposed this measure. The Tax Foundation of Hawaii  
provided comments.

Your Committee has amended this bill by:

- (1) Removing provisions that suspend the refunding feature  
of the capital goods excise tax credit for eligible  
depreciable tangible personal property placed in service  
after December 31, 2010, but before January 1, 2015; and

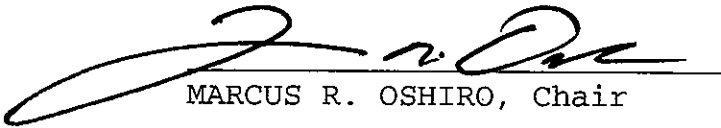
HB794 HD1 HSCR FIN HMS 2011-2576



- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 794, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 794, 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



