

STAND. COM. REP. NO.

51

Honolulu, Hawaii

Feb 7, 2011

RE: H.B. No. 810  
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 Economic Revitalization & Business, to which was referred H.B. No. 810 entitled:

"A BILL FOR AN ACT RELATING TO EMPLOYMENT,"

begs leave to report as follows:

The purpose of this bill is to provide incentives for job creation and better salaries for employees by temporarily providing an employment increase tax credit (credit) for a taxpayer that increases, by at least ten percent, the number of employees employed in the taxpayer's business and the total wages paid to the employees, over the previous calendar year.

Retail Merchants of Hawaii supported this bill. The Department of Taxation and Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Specifying that owners, officers, directors, shareholders, partners, members, and member managers of the taxpayer shall not be considered as "employees" when determining eligibility for the credit;
- (2) Establishing annual reporting requirements related to the credit; and

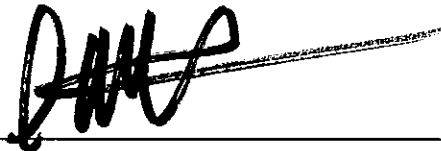
HB810 HD1 HSCR ERB HMS 2011-1877



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

As affirmed by the record of votes of the members of your Committee on Economic Revitalization & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 810, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 810, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Revitalization & Business,



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ANGUS L.K. MCKELVEY, Chair



Record of Votes of the Committee on Economic Revitalization & Business

Bill/Resolution No.: <b>HB 810</b>	Committee Referral: <b>ERB, FIN</b>	Date: <b>4/27/11</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
ERB Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	✓			
2. CHOY, Isaac W. (VC)	✓			
3. AWANA, Karen L.	✓			
4. BROWER, Tom	✓			
5. EVANS, Cindy				✓
6. HASHEM, Mark J.				✓
7. NISHIMOTO, Scott Y.	✓			
8. TOKIOKA, James Kunane	✓			
9. TSUJI, Clift	✓			
10. MARUMOTO, Barbara C.		✓		
11. PINE, Kymberly Marcos		✓		
TOTAL (11)	7	2	0	2
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small>				
Vice Chair's or designee's signature:				
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