
A BILL FOR AN ACT

RELATING TO TAX.

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

1 SECTION 1. The legislature finds that while Hawaii's
2 current income tax structure creates an unfair burden to those
3 individuals with the least ability to pay income taxes. The
4 legislature also finds that economic and budgetary stresses over
5 the last few years have resulted in cuts in education, social
6 services, health services, and other programs used primarily by
7 individuals with lower incomes and who bear the highest
8 proportional tax burden.

9 The purpose of this Act is to require the tax review
10 commission to identify steps needed to create a more balanced,
11 fair, and progressive tax structure.

12 SECTION 2. Section 232E-3, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "**§232E-3 Duties.** The commission shall conduct a
15 systematic review of the State's tax structure, using such
16 standards as equity and efficiency[-], with the goal of creating
17 a fair, balanced, and progressive tax structure. Thirty days
18 prior to the convening of the second regular session of the



1 legislature after the members of the commission have been
 2 appointed, the commission shall submit to the legislature an
 3 evaluation of the State's tax structure, identify steps
 4 necessary to create a fair, balanced, and progressive tax
 5 structure, and recommend revenue and tax policy[, ~~except that~~
 6 ~~for the commission appointed on or before July 1, 1980, or the~~
 7 ~~replacement commission intended to function prior to the~~
 8 ~~appointment of a new commission on or before July 1, 1985, the~~
 9 ~~commission shall submit the required evaluation and~~
 10 ~~recommendations to the legislature thirty days prior to the~~
 11 ~~convening of the regular session of 1985].~~

12 SECTION 3. Statutory material to be repealed is bracketed
 13 and stricken. New statutory material is underscored.

14 SECTION 4. This Act shall take effect upon its approval.

15

INTRODUCED BY: Kal Rhoode

JAN 11 2012



H.B. NO. 1697

Report Title:

Tax; Tax Review Commission; Duties

Description:

Requires the tax review commission to identify steps to create a fair and balanced progressive income tax structure.

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