

Honolulu, Hawaii

Feb 16 , 2012

RE: H.B. No. 2239  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sir:

Your Committee on Economic Revitalization & Business, to which was referred H.B. No. 2239 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to establish a tax credit for certain investments in small business enterprises.

The Department of Taxation testified in opposition to this measure. The Department of Business, Economic Development, and Tourism and Tax Foundation of Hawaii provided comments on this measure.

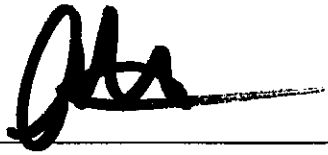
Your Committee has amended this measure by:

- (1) Removing monetary limits on assets and sales from the definition of a "small business enterprise";
- (2) Applying the tax credit to taxable years beginning after December 31, 2112; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



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. 2239, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2239, 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



State of Hawaii  
House of Representatives  
The Twenty-sixth Legislature

HSCR 486-12

**Record of Votes of the Committee on Economic Revitalization & Business**

Bill/Resolution No.: <b>HB 2239</b>	Committee Referral: <b>ERB, FIN</b>	Date: <b>2/7/12</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)	X			
2. CHOY, Isaac W. (VC)	X			
3. AWANA, Karen L.	X			
4. BROWER, Tom	X			
5. EVANS, Cindy	X			
6. HASHEM, Mark J.	X			
7. NISHIMOTO, Scott Y.	X			
8. TOKIOKA, James Kunane				✓
9. TSUJI, Clift	X			
10. MARUMOTO, Barbara C.	X			
11. PINE, Kymerly Marcos	X			
<b>TOTAL (11)</b>	<b>10</b>	<b>—</b>	<b>—</b>	<b>1</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ 				
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