

Honolulu, Hawaii

March 2, 2012

RE: H.B. No. 2328

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 Finance, to which was referred H.B. No. 2328 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to allow for the more efficient collection of estate and transfer taxes by establishing a new chapter in the Hawaii Revised Statutes governing estate and generation-skipping taxes.

The Department of Taxation, Hawai'i Association of REALTORS, and a concerned individual supported this measure. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Permitting an exception to the generation-skipping transfer tax for generation-skipping transfers that are subject to the federal gift tax; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

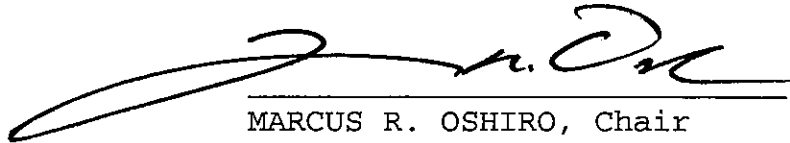
As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2328, as amended herein, and recommends that it pass Second

HB2328 HD1 HSCR FIN HMS 2012-2563



Reading in the form attached hereto as H.B. No. 2328, 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



