

STAND. COM. REP. NO.

2091

Honolulu, Hawaii

FEB 09 2012

RE: S.B. No. 2484
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 2484 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize a state income tax credit for certain expenses paid or incurred by a school teacher in connection with supplementary materials used by the teacher in the classroom.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, IMUAlliance, and nine individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that teachers often pay out of their own pocket for materials to provide more creative ways to be effective in the classroom. It is the intent of your Committee that the tax credit provided in this measure be claimed only for classroom materials. As this measure progresses, your Committee requests that the Department of Taxation provide the estimated impact of this measure on general fund revenues.

Your Committee has amended this measure by clarifying that a qualified taxpayer under this measure means a school teacher, special education teacher, school librarian, or counselor employed

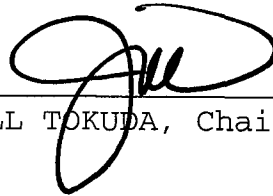
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by the Department of Education, a charter school, or a private school.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2484, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2484, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Education,



JILL TOKUDA, Chair



