

LATE

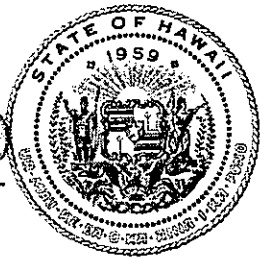
NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
INTERIM DIRECTOR

**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
RICHARD C. LIM
Interim Director
Department of Business, Economic Development & Tourism

before the
HOUSE COMMITTEE ON FINANCE
February 25, 2011
11:00 AM
State Capitol, Conference Room 308

in consideration of
HB 797
RELATING TO TAXATION.

Chair Oshiro, Vice Chair Lee and Members of the Committee on Finance:

DBEDT strongly opposes HB 797, which extends the limitations on taxpayers' ability to claim the full amount of the high technology business investment tax credit they earned by investing capital in Hawaii-based high technology business.

HB 797 will affect tax credits already earned by investors for investments made in previous years. This retroactive action of changing the rules in legislation sends a bad message to business. This bill discourages investment in Hawaii businesses and will encourage Hawaii entrepreneurs to locate their businesses elsewhere.

Thank you for the opportunity to submit testimony on this bill.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 25, 2011 9:45 AM
To: FINTestimony
Cc: swartzg001@hawaii.rr.com
Subject: Testimony for HB797 on 2/25/2011 11:00:00 AM

LIVE

Testimony for FIN 2/25/2011 11:00:00 AM HB797

Conference room: 308

Testifier position: oppose

Testifier will be present: No

Submitted by: gregory swartz

Organization: Individual

Address:

Phone:

E-mail: swartzg001@hawaii.rr.com

Submitted on: 2/25/2011

Comments:

I don't understand how this will save the State any money. If an individual or entity is eligible to take the credit against income, they will. If they don't have enough income to take the credit, extending the period will just cost the State more money. Am I missing something?