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## A BILL FOR AN ACT

RELATING TO EARLY LEARNING.

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

1           SECTION 1. The purpose of this Act is to provide funding  
2 for the early learning system, "keiki first steps", established  
3 under chapter 302L, Hawaii Revised Statutes.

4           SECTION 2. Section 235-102.5, Hawaii Revised Statutes, is  
5 amended to read as follows:

6           "**§235-102.5 Income check-off authorized.** (a) Any  
7 individual whose state income tax liability for any taxable year  
8 is \$3 or more may designate \$3 of the liability to be paid over  
9 to the Hawaii election campaign fund, any other law to the  
10 contrary notwithstanding, when submitting a state income tax  
11 return to the department. In the case of a joint return of a  
12 husband and wife having a state income tax liability of \$6 or  
13 more, each spouse may designate that \$3 be paid to the fund.  
14 The director of taxation shall revise the individual state  
15 income tax form to allow the designation of contributions to the  
16 fund on the face of the tax return and immediately above the  
17 signature lines. An explanation shall be included which clearly  
18 states that the check-off does not constitute an additional tax



1 liability. If no designation was made on the original tax  
2 return when filed, a designation may be made by the individual  
3 on an amended return filed within twenty months and ten days  
4 after the due date for the original return for such taxable  
5 year. A designation once made whether by an original or amended  
6 return may not be revoked.

7 (b) Notwithstanding any law to the contrary, any  
8 individual whose state income tax refund for any taxable year is  
9 \$2 or more may designate \$2 of the refund to be deposited into  
10 the school-level minor repairs and maintenance special fund  
11 established by section 302A-1504.5, when submitting a state  
12 income tax return to the department. In the case of a joint  
13 return of a husband and wife having a state income tax refund of  
14 \$4 or more, each spouse may designate that \$2 be deposited into  
15 the special fund. The director of taxation shall revise the  
16 individual state income tax return form to allow the designation  
17 of contributions to the special fund on the face of the tax  
18 return and immediately above the signature lines. If no  
19 designation was made on the original tax return when filed, a  
20 designation may be made by the individual on an amended return  
21 filed within twenty months and ten days after the due date for  
22 the original return for such taxable year. A designation once



1 made, whether by an original or amended return, may not be  
2 revoked.

3 (c) Notwithstanding any law to the contrary, any  
4 individual whose state income tax refund for any taxable year is  
5 \$2 or more may designate \$2 of the refund to be paid over to the  
6 libraries special fund established by section 312-3.6, when  
7 submitting a state income tax return to the department. In the  
8 case of a joint return of a husband and wife having a state  
9 income tax refund of \$4 or more, each spouse may designate that  
10 \$2 be deposited into the special fund. The director of taxation  
11 shall revise the individual state income tax form to allow the  
12 designation of contributions to the fund on the face of the tax  
13 return and immediately above the signature lines. If no  
14 designation was made on the original tax return when filed, a  
15 designation may be made by the individual on an amended return  
16 filed within twenty months and ten days after the due date for  
17 the original return for such taxable year. A designation once  
18 made, whether by an original or amended return, may not be  
19 revoked.

20 (d) Notwithstanding any law to the contrary, any  
21 individual whose state income tax refund for any taxable year is



1 \$5 or more may designate \$5 of the refund to be paid over as  
2 follows:

3 (1) One-third to the Hawaii children's trust fund under  
4 section 350B-2; and

5 (2) Two-thirds to be divided equally among:

6 (A) The domestic violence and sexual assault special  
7 fund under the department of health in section  
8 321-1.3;

9 (B) The spouse and child abuse special account under  
10 the department of human services in section  
11 346-7.5; and

12 (C) The spouse and child abuse special account under  
13 the judiciary in section 601-3.6.

14 When designated by a taxpayer submitting a state income tax  
15 return to the department, the department of budget and finance  
16 shall allocate the moneys among the several funds as provided in  
17 this subsection. In the case of a joint return of a husband and  
18 wife having a state income tax refund of \$10 or more, each  
19 spouse may designate that \$5 be paid over as provided in this  
20 subsection. The director of taxation shall revise the  
21 individual state income tax form to allow the designation of  
22 contributions pursuant to this subsection on the face of the tax



1 return and immediately above the signature lines. If no  
2 designation was made on the original tax return when filed, a  
3 designation may be made by the individual on an amended return  
4 filed within twenty months and ten days after the due date for  
5 the original return for such taxable year. A designation once  
6 made, whether by an original or amended return, may not be  
7 revoked.

8 (e) Notwithstanding any law to the contrary, any  
9 individual whose state income tax refund for any taxable year is  
10 \$25 or more may designate \$25 of the refund to be deposited into  
11 the early learning trust fund established under section 302L-5  
12 when submitting a state income tax return to the department. In  
13 the case of a joint return of spouses having a state income tax  
14 refund of \$50 or more, each spouse may designate that \$25 be  
15 deposited into the early learning trust fund. The director of  
16 taxation shall revise the individual state income tax return  
17 form to allow the designation of contributions to the early  
18 learning trust fund on the face of the tax return and  
19 immediately above the signature lines. An explanation shall be  
20 included that clearly states that the designation does not  
21 constitute an additional tax refund. If no designation was made  
22 on the original tax return when filed, a designation may be made



1 by the individual on an amended return filed within twenty  
2 months and ten days after the due date for the original return  
3 for such taxable year. A designation once made, whether by an  
4 original or amended return, shall not be revoked."

5 SECTION 3. Section 302L-5, Hawaii Revised Statutes, is  
6 amended to read as follows:

7 "**§302L-5 Early learning trust fund.** There is established  
8 within the state treasury the early learning trust fund, to be  
9 administered by the executive office on early learning, into  
10 which shall be deposited all moneys received by the office in  
11 the form of:

- 12 (1) Fees;
- 13 (2) Grants;
- 14 (3) Donations;
- 15 (4) Appropriations made by the legislature to the fund;
- 16 [~~and~~]
- 17 (5) Payments from the income tax refund designation under  
18 section 235-102.5; and
- 19 [+5] (6) [~~Revenues~~] Other revenues regardless of their  
20 source,



1 and earnings on moneys in the fund. Moneys in the fund shall be  
2 used for the early learning system. Expenditures from the fund  
3 may be made by the office without appropriation or allotment."

4 SECTION 4. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6 SECTION 5. This Act, upon its approval, shall apply to  
7 taxable years beginning after December 31, 2012.

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**Report Title:**

Early Learning System Funding; Income Tax Refund Check-Off

**Description:**

Permits a taxpayer to designate a specified amount of the taxpayer's income tax refund to be deposited into the early learning trust fund.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

