

JAN 18 2013

A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§235- Income tax credit for senior citizen hires. (a)

5 There shall be allowed to each taxpayer subject to the tax
6 imposed by this chapter, a tax credit for the hiring of a senior
7 citizen for a business owned by the taxpayer. The tax credit
8 shall be deductible from the taxpayer's net income tax liability
9 imposed by this chapter for the taxable year in which the credit
10 is properly claimed.

11 (b) The amount of the credit shall be equal to fifty per
12 cent of the qualified wages paid to the senior citizen for the
13 first six months after the senior citizen is hired.

14 If the credit exceeds the taxpayer's income tax liability
15 in a taxable year, the remaining credit may be used as a credit
16 against the taxpayer's income tax liability in subsequent years
17 until exhausted; provided that in no taxable year shall the



1 total amount of tax credits claimed under this section exceed
2 \$ _____.

3 (c) For the purposes of this section:

4 "Qualified wages" means wages attributable to work rendered
5 during the taxable year by a senior citizen for the six-month
6 period after the senior citizen is hired.

7 "Senior citizen" means a person sixty-five years of age or
8 older.

9 (d) The director of taxation:

10 (1) Shall prepare any forms necessary to claim a credit
11 under this section;

12 (2) May require a taxpayer to furnish reasonable
13 information in order to ascertain the validity of a
14 claim for credit; and

15 (3) May adopt rules pursuant to chapter 91 to effectuate
16 the purposes of this section.

17 (e) Claims for the tax credit under this section,
18 including any amended claims, shall be filed on or before the
19 end of the twelfth month following the taxable year for which
20 the credit is claimed. Failure to comply with the foregoing
21 provision shall constitute a waiver of the right to claim the
22 credit."



S.B. NO. 522

1 SECTION 2. New statutory material is underscored.

2 SECTION 3. This Act, upon its approval, shall apply to
3 taxable years beginning after December 31, 2012.

4

INTRODUCED BY: *Shiranne Chun Calhoun*



S.B. NO. 522

Report Title:

Tax Credit; Senior Citizen Hires

Description:

Provides income tax credit (50% of qualified wages for first 6 months) for taxpayer who hires a person 65 years of age or older.

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