

STAND. COM. REP. NO.

746

Honolulu, Hawaii

March, 2013

RE: H.B. No. 694

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 694
entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to repeal the temporary
increase in income tax rates established by Act 60, Session Laws
of Hawaii 2009, one year ahead of the scheduled sunset date.

The Department of Taxation and the Tax Foundation of Hawaii
provided comments on this measure.

Your Committee notes that the intent of this measure is to
provide tax relief to individuals filing taxes in the State.

Your Committee has amended this measure by:

- (1) Imposing on every taxpayer filing jointly, as a
surviving spouse, head of household, unmarried
individual, or married individual not filing jointly,
new unspecified tax rates to apply to taxable years
beginning after December 31, 2014;
- (2) Changing its effective date to January 1, 2030, to
encourage further discussion; and

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- (3) 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. 694, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 694, H.D. 1, and be placed on the calendar for Third Reading.

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



A handwritten signature in black ink, appearing to read 'Sylvia Luke', is written over a horizontal line. The signature is stylized and somewhat cursive.

SYLVIA LUKE, Chair



