

STAND. COM. REP. NO.

812

Honolulu, Hawaii
March, 2013

RE: H.B. No. 96
H.D. 2

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. 96,
H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO FARMS,"

begs leave to report as follows:

The purpose of this measure is to encourage and support the growth of new, small, and diversified farming businesses by creating a tax exemption for the first \$50,000 of income for family farms, family farm communities, and family farm cooperatives.

Hawaii Organic Farming Association and a few individuals provided testimony in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and Hawaii Farm Bureau Federation provided comments on this measure.

Your Committee has amended this measure by:

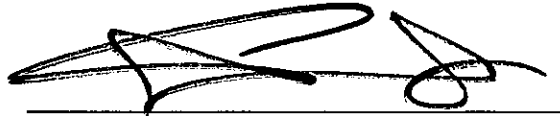
- (1) Deleting the amount of income exempted and inserting an unspecified amount; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



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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. 96, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 96, H.D. 2.

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



SYLVIA LUKE, Chair



