

Honolulu, Hawaii

FEB 11 2013

RE: S.B. No. 585

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Madam:

Your Committee on Agriculture, to which was referred S.B. No. 585 entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose and intent of this measure is to amend the important agricultural land qualified agricultural cost tax credit by:

- (1) Clarifying the amount of the credit;
- (2) Repealing the requirement that qualified agricultural costs be reduced by the amount of funds received from the irrigation repair and maintenance special fund; and
- (3) Repealing the filing deadline to claim credits.

Your Committee received testimony in support of this measure from Hui O Malama Aina, Maui County Farm Bureau, and Alexander and Baldwin, Inc. Your Committee received testimony in opposition to this measure from Animal Rights Hawaii. Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.


Your Committee finds that incentives to landowners and farmers to conduct agricultural activities on important agricultural lands are not only mandated by law but vital to the agricultural and economic future of the State. This measure clarifies and strengthens provisions in the important agricultural land qualified agricultural cost tax credit law and serves as a



stimulus to encourage owners and farmers to expand their operations and enhance their operating efficiencies.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 585 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

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



CLARENCE K. NISHIHARA, Chair



