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# A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Act 97, Session Laws of Hawaii 2011, is amended  
2 as follows:

3 1. By amending section 3 to read:

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

7 "**§235- Itemized deductions; limitations.** (a)

8 Notwithstanding any other law to the contrary, itemized tax  
9 deductions claimed pursuant to this chapter shall not exceed the  
10 lesser of:

11 (1) The limitation on itemized deductions under section 68  
12 of the Internal Revenue Code; or

13 (2) Any of the following that may be applicable:

14 (A) \$25,000 for a taxpayer filing a single return or  
15 a married person filing separately with a federal  
16 adjusted gross income of \$100,000 or more;



1 (B) \$37,500 for a taxpayer filing as a head of  
2 household with a federal adjusted gross income of  
3 \$150,000 or more; and

4 (C) \$50,000 for a taxpayer filing a joint return or  
5 as a surviving spouse with a federal adjusted  
6 gross income of \$200,000 or more.

7 (b) This section shall not apply to itemized tax  
8 deductions claimed pursuant to this chapter for wagering losses  
9 that are an allowable deduction under section 165 of the  
10 Internal Revenue Code of 1986, as amended."

11 2. By amending section 6 to read:

12 "SECTION 6. This Act shall take effect on July 1, 2011,  
13 and shall apply to taxable years beginning after December 31,  
14 2010; provided that:

15 (1) Section 235- (a), Hawaii Revised Statutes, in  
16 section 3 of this Act shall be repealed on January 1,  
17 2016, and shall apply to taxable years beginning after  
18 December 31, 2010, but not to taxable years beginning  
19 after December 31, 2015; [~~and~~]

20 (2) Section 235- (b), Hawaii Revised Statutes, in  
21 section 3 of this Act shall be repealed on January 1,  
22 2016, and shall apply to taxable years beginning after





# H.B. NO. 381

**Report Title:**

Taxation; Itemized Deductions; Limitations

**Description:**

Removes limitations on claims for itemized tax deductions for wagering losses that are allowable deductions under the Internal Revenue Code. Effective July 1, 2013, repeals January 1, 2016.

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

