

JAN 16 2014

---

---

# A BILL FOR AN ACT

RELATING TO TAX CREDITS.

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

1 SECTION 1. Section 235-55.85, Hawaii Revised Statutes, is  
2 amended as follows:

3 1. By amending subsections (b) and (c) to read:

4 "(b) Each resident individual taxpayer may claim a  
5 refundable food/excise tax credit multiplied by the number of  
6 qualified exemptions to which the taxpayer is entitled in  
7 accordance with the table below; provided that a husband and  
8 wife filing separate tax returns for a taxable year for which a  
9 joint return could have been filed by them shall claim only the  
10 tax credit to which they would have been entitled had a joint  
11 return been filed.

12	Adjusted gross income	Credit per exemption
13	Under <del>[\$5,000]</del> <u>\$5,700</u>	<del>[\$85]</del> <u>\$96</u>
14	<del>[\$5,000]</del> <u>\$5,700</u> under <del>[\$10,000]</del> <u>\$11,300</u>	<del>[75]</del> <u>\$85</u>
15	<del>[\$10,000]</del> <u>\$11,300</u> under <del>[\$15,000]</del> <u>\$17,000</u>	<del>[65]</del> <u>\$74</u>
16	<del>[\$15,000]</del> <u>\$17,000</u> under <del>[\$20,000]</del> <u>\$22,700</u>	<del>[55]</del> <u>\$62</u>
17	<del>[\$20,000]</del> <u>\$22,700</u> under <del>[\$30,000]</del> <u>\$34,000</u>	<del>[45]</del> <u>\$51</u>
18	<del>[\$30,000]</del> <u>\$34,000</u> under <del>[\$40,000]</del> <u>\$45,300</u>	<del>[35]</del> <u>\$40</u>



# S.B. NO. 2202

1    ~~[\$40,000]~~ \$45,300 under ~~[\$50,000]~~ \$56,500            ~~[25]~~ \$28

2    ~~[\$50,000]~~ \$56,500 and over                                    \$0

3            (c)    ~~[For the purposes of this section, a qualified~~  
4 ~~exemption is defined to include those exemptions permitted under~~  
5 ~~this chapter, provided that no additional exemption may be~~  
6 ~~claimed by a taxpayer who is sixty five years of age or older,~~  
7 ~~provided that a person for whom exemption is claimed has~~  
8 ~~physically resided in the State for more than nine months during~~  
9 ~~the taxable year, and provided further that multiple exemptions~~  
10 ~~shall not be granted because of deficiencies in vision or~~  
11 ~~hearing, or other disability. For purposes of claiming this~~  
12 ~~credit only, a minor child receiving support from the department~~  
13 ~~of human services of the State, social security survivor's~~  
14 ~~benefits, and the like, may be considered a dependent and a~~  
15 ~~qualified exemption of the parent or guardian.]    In the case of  
16 any taxable year beginning in a calendar year after 2015, each  
17 dollar amount contained in subsection (b) shall be increased by  
18 an amount equal to such dollar amount multiplied by the  
19 percentage, if any, by which the consumer price index for the  
20 preceding calendar year exceeds the consumer price index for the  
21 calendar year 2015."~~

22            2. By amending subsection (g) to read:



1           "(g) For the purposes of this section [~~7~~—"adjusted]:

2           "Adjusted gross income" means adjusted gross income as  
3 defined by the Internal Revenue Code.

4           "Consumer price index" means the consumer price index for  
5 all urban consumers published by the United States Department of  
6 Labor.

7           "Qualified exemption" means those exemptions permitted  
8 under this chapter; provided that no additional exemption may be  
9 claimed by a taxpayer who is sixty-five years of age or older;  
10 provided further that a person who claims such an exemption  
11 shall have physically resided in the State for more than nine  
12 months during the taxable year; provided further that multiple  
13 exemptions shall not be granted because of deficiencies in  
14 vision or hearing or other disability. For purposes of claiming  
15 this credit only, a minor child receiving support from the  
16 department of human services of the State, social security  
17 survivor's benefits, and the like, may be considered a dependent  
18 and a qualified exemption of the parent or guardian."

19           SECTION 2. Statutory material to be repealed is bracketed  
20 and stricken. New statutory material is underscored.




# S.B. NO. 2202

1 SECTION 3. This Act shall take effect upon its approval,  
 2 and shall apply to taxable years beginning after December 31,  
 3 2014.

4

INTRODUCED BY: Erzanne Chun Oakland

Rossly H. Bab  


Michelle Sedini

Rama Thul

Raul P. Jr

~~S.C. Sisk-Arg~~  
Arise ydy

Melish

JM



# S.B. NO. 2202

**Report Title:**

Refundable Food/Excise Tax Credit

**Description:**

Amends the refundable food/excise tax credit. Ties the credit to increases in the Consumer Price Index.

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

