
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. The purpose of this Act is to authorize a state
2 income tax credit for certain expenses paid or incurred by
3 school teachers in connection with supplementary materials used
4 by the teacher in the classroom.

5 SECTION 2. Chapter 235, Hawaii Revised Statutes, is
6 amended by adding a new section to be appropriately designated
7 and to read as follows:

8 "§235- Certain expenses of school teachers; tax credit.

9 (a) There shall be allowed to each qualified taxpayer subject
10 to the tax imposed by this chapter a tax credit for certain
11 expenses of school teachers that shall be deductible from the
12 taxpayer's net income tax liability, if any, imposed by this
13 chapter for the taxable year in which the credit is properly
14 claimed.

15 (b) For purposes of this section:

16 "Certain expenses" means expenses paid or incurred by a
17 qualified taxpayer who incurs the expenses in connection with
18 books, supplies (other than athletic supplies for courses of



1 instruction in health or physical education), computer equipment
2 (including related software and services) and supplementary
3 materials used by the qualified taxpayer in the classroom.

4 "Qualified taxpayer" means a school teacher, special
5 education teacher, school librarian, or counselor employed by
6 the department of education, a charter school, or a private
7 school in Hawaii that instructs students between junior
8 kindergarten and twelfth grade.

9 (c) The amount of the tax credit shall be equal to a
10 maximum of \$250 for certain expenses in any taxable year.

11 (d) If the tax credit under this section exceeds the
12 taxpayer's net income tax liability, the excess of credit over
13 liability may be used as a tax credit against the taxpayer's net
14 income tax liability in subsequent years until exhausted. All
15 claims for a tax credit under this section, including amended
16 claims, shall be filed on or before the end of the twelfth month
17 following the close of the taxable year for which the tax credit
18 may be claimed. Failure to comply with the foregoing provision
19 shall constitute a waiver of the right to claim the tax credit.

20 (e) No other tax credit may be claimed under this chapter
21 for the certain expenses used to properly claim a tax credit
22 under this section for the taxable year.



1 (f) The director of taxation shall prepare any forms that
2 may be necessary to claim a credit under this section. The
3 director may also require the taxpayer to furnish reasonable
4 information to ascertain the validity of the claim for credit
5 made under this section and may adopt rules necessary to
6 effectuate the purposes of this section pursuant to chapter 91.

7 (g) The tax credit allowed under this section shall be
8 available for taxable years beginning after December 31, 2012."

9 SECTION 3. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2050, and
11 shall apply to taxable years beginning after December 31, 2012.

12



Report Title:

Tax Credit; Certain Expenses; Teachers

Description:

Authorizes a state income tax credit for certain expenses paid or incurred by a school teacher during the taxable year.

Effective 7/1/2050. (SD1)

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