

305

Honolulu, Hawaii

February 12, 2013

RE: H.B. No. 1074  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 1074 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to encourage the public to participate in historic preservation by providing a refundable income tax credit for expenditures made to rehabilitate or preserve a historic structure.

One individual submitted testimony in support of this measure. The Department of the Attorney General, Department of Taxation, Department of Land and Natural Resources, and Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Deleting the requirement that a taxpayer be a resident in order to claim the credit;
- (2) Clarifying that individuals who are party to a reciprocal beneficiary relationship or a civil union may claim the tax credit in the same manner as a husband and wife, to the extent that they are eligible to file a joint tax return;



305

- (3) Clarifying that the tax credit may be claimed for expenditures to rehabilitate or preserve an archaeological or cultural, as well as historic, site;
- (4) Clarifying the operation of the tax credit's recapture provisions; and
- (5) Making nonsubstantive technical amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1074, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1074, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Water & Land,

  
\_\_\_\_\_  
CINDY EVANS, Chair



