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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. The legislature finds that in a survey of  
2 teachers conducted by the Hawaii state teachers association,  
3 forty-seven per cent of the respondents cited annual personal  
4 expenditures of between \$250 and \$500 each year on classroom  
5 supplies, with many claiming expenditures in excess of \$1,000.

6           The purpose of this Act is to establish a state income tax  
7 credit for certain expenses paid or incurred by school teachers,  
8 special education teachers, school librarians, and counselors  
9 for supplementary materials used in the classroom and for travel  
10 expenses incurred while accompanying and supporting students on  
11 an educational trip.

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

15           "§235-        Certain classroom expenses; tax credit. (a)

16           There shall be allowed to each qualified taxpayer subject to the  
17           tax imposed by this chapter a tax credit for certain expenses



1 that shall be deductible from the taxpayer's net income tax  
2 liability, if any, imposed by this chapter for the taxable year  
3 in which the credit is properly claimed.

4 (b) The amount of the tax credit shall be equal to the  
5 amounts expended for certain expenses in a taxable year;  
6 provided that the credit shall not exceed \$ \_\_\_\_\_ per taxable  
7 year.

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

17 (d) No other tax credit or deduction may be claimed under  
18 this chapter for the certain expenses used to properly claim a  
19 tax credit under this section for the taxable year.

20 (e) The director of taxation shall prepare any forms that  
21 may be necessary to claim a credit under this section. The



1 director may also require the taxpayer to furnish reasonable  
2 information to ascertain the validity of the claim for credit  
3 made under this section and may adopt rules necessary to  
4 effectuate the purposes of this section pursuant to chapter 91.

5 (f) For purposes of this section:

6 "Certain expenses" means expenses paid or incurred by a  
7 qualifying taxpayer in connection with books, supplies other  
8 than athletic supplies for courses of instruction in health or  
9 physical education, computer equipment including related  
10 software and services, supplementary materials used by the  
11 qualifying taxpayer in the classroom, and travel expenses  
12 incurred by the qualifying taxpayer while the taxpayer is  
13 supervising, chaperoning, or providing educational guidance to  
14 students on an educational trip.

15 "Qualifying taxpayer" means a school teacher, special  
16 education teacher, school librarian, or counselor employed by  
17 the department of education, a charter school, or a private  
18 school in the State who instructs students in any grade from  
19 prekindergarten through twelfth grade."



1 SECTION 3. New statutory material is underscored.

2 SECTION 4. This Act shall take effect on July 1, 2030, and  
3 shall apply to taxable years beginning after December 31, 2017.



**Report Title:**

Tax Credit; School Personnel; Reimbursement for Expenses; Travel

**Description:**

Establishes a state income tax credit for certain expenses paid or incurred by school teachers, special education teachers, school librarians, and counselors for supplementary materials used in the classroom as well as for accompanying students for educational travel. Effective for taxable years beginning after 12/31/2017. (SB2624 HD1)

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

