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

6 The purpose of this Act is to authorize 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
18 that shall be deductible from the taxpayer's net income tax



1 liability, if any, imposed by this chapter for the taxable year
2 in which the credit is properly claimed.

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

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

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

19 (e) The director of taxation shall prepare any forms that
20 may be necessary to claim a credit under this section. The
21 director may also require the taxpayer to furnish reasonable



1 information to ascertain the validity of the claim for credit
2 made under this section and may adopt rules necessary to
3 effectuate the purposes of this section pursuant to chapter 91.

4 (f) For purposes of this section:

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

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

19 SECTION 3. New statutory material is underscored.

20 SECTION 4. This Act, upon its approval, shall apply to
21 taxable years beginning after December 31, 2015.



Report Title:

Tax Credit; Tax Credit for Certain Expenses of School Teachers;
Educational Travel

Description:

Authorizes 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 student educational travel.
(SD1)

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