
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 \$250 per taxable year.

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

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

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



1 made under this section and may adopt rules necessary to
2 effectuate the purposes of this section pursuant to chapter 91.

3 (f) For purposes of this section:

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

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

18 SECTION 3. New statutory material is underscored.

19 SECTION 4. This Act, upon its approval, shall apply to
20 taxable years beginning after December 31, 2017.



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. Effective for taxable years beginning after 12/31/2017. (SD2)

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