

Honolulu, Hawaii

February 12, 2015

RE: H.B. No. 1276
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 1276 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to provide senior citizens with increased employment opportunities by providing a business owner a personal income tax credit of up to 50 percent of the wages paid to a senior citizen employed by the business owner for the first six months of employment.

A concerned individual testified in support of this measure. The Department of Taxation provided comments.

Your Committee finds that senior citizens are important members of our community and their experience and wealth of knowledge can be a valuable asset to any employer. However, senior citizens are often overlooked as potential employees. This measure provides an incentive to business owners to provide employment opportunities to Hawaii's seniors through the provision of a personal income tax credit of up to 50 percent of the wages paid to a senior citizen employed by the business owner for the first six months of employment.



Your Committee has amended this measure by:

- (1) Changing all references from "senior citizen" to "senior citizen employee";
- (2) Clarifying that a "senior citizen employee" is a person who is 65 years or older, employed by a business, but not the owner of the business;
- (3) Requiring a senior citizen employee to certify that the senior citizen employee has not been employed by another business owner claiming the income tax credit during the 24 months prior to when the senior citizen employee was hired; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1276, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1276, H.D. 1, and be referred to the Committee on Labor & Public Employment.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business,



DEREK S.K. KAWAKAMI, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

HSCR 149

Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: HB 1276	Committee Referral: EDB, LAB, FIN	Date: 10 FEB 15		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. KAWAKAMI, Derek S.K. (C)	✓			
2. KONG, Sam Satoru (VC)	✓			
3. BROWER, Tom	✓			
4. CACHOLA, Romy M.	✓			
5. CHOY, Isaac W.	✓			
6. ITO, Ken				✓
7. OHNO, Takashi	✓			
8. ONISHI, Richard H.K.	✓			
9. TOKIOKA, James Kunane	✓			
10. TSUJI, Clift	✓			
11. WOODSON, Justin H.	✓			
12. MATSUMOTO, Lauren Kealohilani	✓			
13. WARD, Gene	✓			
TOTAL (13)	12			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align:center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ <div style="text-align:center; font-family: cursive; font-size: 1.2em;">James S. King</div>				
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