

STAND. COM. REP. NO.

784

Honolulu, Hawaii

**March 6**, 2015

RE: H.B. No. 1454  
H.D. 2

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 1454, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to encourage economic development in the State through the promotion of manufacturing by establishing a temporary nonrefundable income tax credit for taxpayers who incur certain equipment and training expenses in the manufacture of products in Hawaii.

The Department of Business, Economic Development and Tourism; Chamber of Commerce of Hawaii; Maui Chamber of Commerce; Hawaii Food Industry Association; Meadow Gold Dairies; KYD, Inc. dba: K. Yamada Distributors; and a concerned individual testified in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and High Technology Development Corporation provided comments on this measure.

Your Committee has amended this measure by:

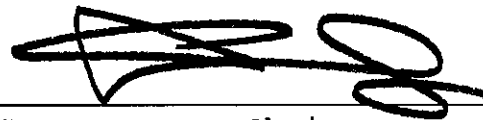
- (1) Changing the amount of, and cap on, the tax credit to unspecified amounts to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

HB1454 HD2 HSCR FIN HMS 2015-2195



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1454, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1454, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



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SYLVIA LUKE, Chair



