

Honolulu, Hawaii
MAY 4, 2016

RE: H.B. No. 1527
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1527 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to require the Department of Taxation to evaluate and make recommendations regarding the repeal of certain tax credits and tax exemptions and to report to the Legislature before the Regular Session of 2018. This measure also requires, beginning on July 1, 2018 and every five years thereafter, the Department to evaluate and make recommendations regarding new tax credits and exemptions.

The United Public Workers, AFSCME, Local 646, and AFL-CIO provided testimony in support of this measure. The Department of Business, Economic Development and Tourism; Kaua'i County Housing Agency; Land Use Research Foundation of Hawaii; Hawai'i Association of Realtors; and Mutual Housing Association of Hawai'i, Inc. provided testimony in opposition. The Department of Taxation and Tax Foundation of Hawaii provided comments.

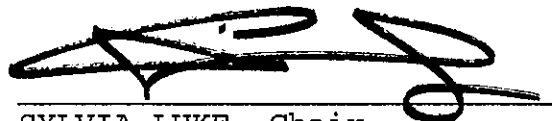
Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



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. 1527, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1527, H.D. 1, and be placed on the calendar for Third Reading.

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



SYLVIA LUKE, Chair



HSCR 836-16

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB1527	Committee Referral: FIN	Date: 02/23/16		
<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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. CACHOLA, Romy M.	/			
4. CULLEN, Ty J.K.	/			
5. DeCOITE, Lynn	/			
6. JOHANSON, Aaron Ling	/			
7. JORDAN, Jo	/			
8. KEOHOKALOLE, Jarrett	/			
9. KOBAYASHI, Bertrand	/			
10. LoPRESTI, Matthew S.				/
11. LOWEN, Nicole E.	/			
12. ONISHI, Richard H.K.	/			
13. TOKIOKA, James Kunane	/			
14. YAMASHITA, Kyle T.	/			
15. POUHA, Feki	/			
16. WARD, Gene	/			
TOTAL (16)	15			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				