

STAND. COM. REP. NO.

3458

Honolulu, Hawaii

APR 08 2016

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

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1527, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Department of Taxation to evaluate, and make recommendations regarding, certain tax credits and exemptions.

Your Committee received testimony in support of this measure from United Public Workers.

Your Committee received testimony in opposition to this measure from Hawaii Housing Finance and Development Corporation, Catholic Charities Hawaii, EAH Housing, Hawaii Association of Realtors, and Land Use Research Foundation of Hawaii.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the creation of sound tax policy requires comprehensive information about the tax credits and exemptions offered by the State. Currently, there are a variety of tax credits and exemptions provided in Title 14 of the Hawaii Revised Statutes. However, policymakers do not have comprehensive information regarding the intended objectives or actual economic effects of each credit or exemption. Your Committee believes that

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requiring the Department of Taxation to routinely report on existing and new tax credits and exemptions will provide the Legislature and administration with the information necessary to develop the best tax policy for the State.

Your Committee has amended this measure by inserting an appropriation for an unspecified amount to offset the costs incurred by the Department of Taxation to evaluate certain tax credits and exemptions.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1527, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1527, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

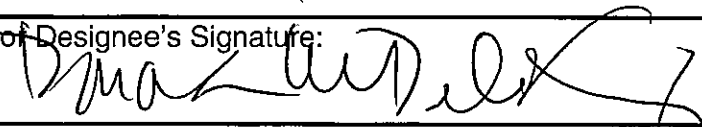
Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
\_\_\_\_\_  
JILL N. TOKUDA, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>HB 1527, HD 1</b>	Committee Referral: <b>WAM</b>	Date: <b>3/23/16</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	-			/
HARIMOTO, Breene	/			
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam	-			/
<b>TOTAL</b>	<b>9</b>			<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes