STAND. COM. REP. NO. 877-16

Honolulu, Hawaii March 4, , 2016 RE: H.B. No. 1702 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. 1702 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to increase the household and dependent care services income tax credit by changing the basis for calculating the applicable percentage for the credit and providing a credit ranging from 15 to 25 percent of the employment-related expenses paid by the taxpayer.

The ILWU Local 142, Catholic Charities Hawaii, Phocused, and Hawaii Appleseed Center for Law and Economic Justice provided testimony in support of the measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- Changing the taxpayer's applicable percentages to unspecified amounts;
- (2) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.



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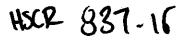
As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1702, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1702, H.D. 1, and be placed on the calendar for Third Reading.

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

LUKE. Chair



## State of Hawaii House of Representatives The Twenty-eighth Legislature



## **Record of Votes of the Committee on Finance**

Bill/Resolution No.:	Committee Referral: Date:			
HB1702				5
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: D Pass, unamended (as is) Pass, with amendments (HD) D Hold				
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				
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TOTAL (16)	15			
The recommendation is:  Adopted  Not Adopted    If joint referral,				
committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				