

STAND. COM. REP. NO.

443

Honolulu, Hawaii

February 20, 2015

RE: H.B. No. 18

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 Consumer Protection & Commerce, to which was referred H.B. No. 18, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LONG-TERM CARE,"

begs leave to report as follows:

The purpose of this measure is to establish a nonrefundable long-term care income tax credit for qualified individual taxpayers based on the cost of long-term care insurance premium payments.

The American Council of Life Insurers, ILWU Local 142, and an individual testified in support of this measure. The National Association of Insurance and Financial Advisors testified in support of the intent of this measure. The Policy Advisory Board for Elder Affairs testified in opposition to this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Allowing qualified corporate taxpayers who are employers to claim the tax credit for long-term care insurance premiums paid on behalf of employees; and
- (2) Further clarifying that the long-term care income tax credit is nonrefundable.

HB18 HD2 HSCR CPC HMS 2015-1968



As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 18, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 18, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



