

Honolulu, Hawaii

March 3, 2016

RE: H.B. No. 1958
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. 1958, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO A GENERAL EXCISE TAX EXEMPTION FOR LOW INCOME RENTAL SUBSIDIES,"

begs leave to report as follows:

The purpose of this measure is to incentivize the renting of units to Section 8 holders by exempting rental subsidy payments for Section 8 and Housing First Programs from the state general excise tax.

The Hawaii Public Housing Authority provided testimony in support of this measure. The Department of Taxation, Department of Human Services, the Governor's Coordinator on Homelessness, Tax Foundation of Hawaii, and Hawaii Association of Realtors provided comments.

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. 1958, H.D. 1, and recommends that it pass Third Reading.



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



SYLVIA LUKE, Chair



