

Honolulu, Hawaii

March 4, 2016

RE: H.B. No. 2166
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. 2166 entitled:

"A BILL FOR AN ACT RELATING TO INCOME TAX CREDITS,"

begs leave to report as follows:

The purpose of this measure is to expand the low income-household renter's income tax credit based on adjusted gross income, filing status, and the Consumer Price Index for All Urban Consumers published by the United States Department of Labor.

PHOCUSED, Community Alliance on Prisons, Progressive Democrats of Hawaii, Americans for Democratic Action Hawaii Chapter, Catholic Charities Hawaii, Hawaii Appleseed Center for Law & Economic Justice, Hawaii Women's Coalition, the CHOW Project, the League of Women Voters of Hawaii, Hawaii Children's Action Network, IMUAlliance, and two individuals testified in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and Honolulu Community Action Program, Inc. provided comments.

Your Committee has amended this measure by:

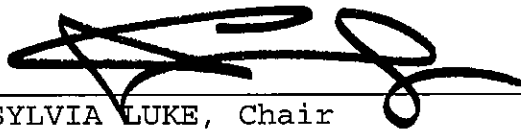
- (1) Changing various credit per exemption amounts to unspecified amounts;
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion; and



- (3) Making technical, nonsubstantive amendments for 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. 2166, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2166, 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



