

Honolulu, Hawaii

March 4, 2016

RE: H.B. No. 2218
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. 2218 entitled:

"A BILL FOR AN ACT RELATING TO AMENDING OR REPEALING HAWAII INCOME TAX LAWS FOR THE PURPOSE OF DELETING OBSOLETE OR UNNECESSARY PROVISIONS,"

begs leave to report as follows:

The purpose of this measure is to delete obsolete or unnecessary provisions affecting Hawaii Income Tax Law by:

- (1) Repealing sections 235-2, 235-2.1, and 235-2.2, Hawaii Revised Statutes (HRS), which include tables enumerating Internal Revenue Code provisions adopted by the State since 1957, since it is no longer a requirement to enumerate conforming amendments to the Internal Revenue Code in the HRS; and
- (2) Removing references to the repealed sections in section 235-2.3(a), HRS, and instead referring to prior law.

The Department of Taxation and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

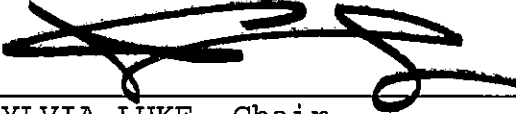
- (1) Making technical, nonsubstantive amendments for clarity, consistency, and style; and



- (2) Changing its effective date to July 1, 2030, to facilitate further discussion.

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. 2218, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2218, 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



