

Honolulu, Hawaii

MAR 04 2016

RE: S.B. No. 2624  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2624, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to create a state income tax credit for public and private school teachers, librarians, and counselors of any grade between prekindergarten and the twelfth grade who incur or pay expenses related to the classroom or to educational trips.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association and IMUA Alliance.

Your Committee received written comments in opposition to this measure from the Department of Education, Department of Taxation, and the Tax Foundation of Hawaii.

Your Committee finds that this measure will help to offset the cost of school supplies personally purchased by the teachers themselves for their students.

Your Committee has amended this measure by:

- (1) Specifying the maximum amount of the tax credit as \$250 per taxable year;




- (2) Clarifying that no deduction may be claimed for the certain expenses that are used to claim the tax credit established in this measure; and
- (3) Deferring the effective date to taxable years beginning after December 31, 2017.

Your Committee notes, however, that the effective date should be moved up if the Department of Taxation can implement the tax credit from an earlier date.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2624, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2624, S.D. 2.


Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
\_\_\_\_\_  
JILL N. TOKUDA, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2624 , SD 1	EDU, WAM	2/21/12		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene				/
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam	/			
<b>TOTAL</b>	10			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes