

Honolulu, Hawaii

FEB 06 2015

RE: S.B. No. 696  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Madam:

Your Committee on Judiciary and Labor, to which was referred  
S.B. No. 696 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to create an income  
tax credit for employers who allow their employees to telecommute.

Your Committee received comments on this measure from the  
Department of Taxation.

Your Committee finds that providing a tax credit would  
encourage employers to allow employees to work via telecommuting.

Your Committee has amended this measure by:

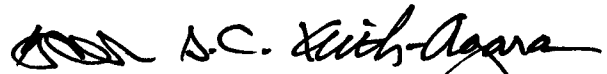
- (1) Removing section 1;
- (2) Amending section 2 by:
  - (A) Deleting the proposed paragraphs 235- (a)(1) and  
(a)(3), Hawaii Revised Statutes;
  - (B) Deleting references to "attainment areas" and "non-  
attainment areas";



- (C) Deleting language that would have capped the aggregate amounts of tax credits to be approved and references thereto; and
  - (D) Leaving a blank percentage for the tax credit to encourage consideration by the Committee on Ways and Means should they schedule this measure for further hearing;
- (3) Inserting an effective date of January 7, 2059, to encourage further discussion; and
  - (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 696, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 696, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary and  
Labor,




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GILBERT S.C. KEITH-AGARAN, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Judiciary and Labor**  
**JDL**

Bill / Resolution No.:* <b>SB 696</b>	Committee Referral: <b>JDL, WAM</b>	Date: <b>2/3/15</b>		
<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
KEITH-AGARAN, Gilbert S.C. (C)	✓			
SHIMABUKURO, Maile S.L. (VC)	✓			
ESPERO, Will				✓
GABBARD, Mike	✓			
IHARA, Jr., Les				✓
THIELEN, Laura H.		✓		
SLOM, Sam	✓			
<b>TOTAL</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original    Yellow    Pink    Goldenrod File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy				

\*Only one measure per Record of Votes