



LATE

SB2704

Measure Title: RELATING TO TAXABLE INCOME EXCLUSION.

Report Title: Income Tax Exclusion; Military

Description: Provides taxable income exclusion for military on active duty who are serving outside the State pursuant to orders.

Companion:

Package: None

Current Referral: PSM, WAM

Introducer(s): SLOM, CHUN OAKLAND, INOUE, KEITH-AGARAN, KIM, SHIMABUKURO, Gabbard, Green, Harimoto, Tokuda



**Testimony to the Senate Committee on Public Safety,
Intergovernmental and Military Affairs
Tuesday, February 2, 2015 at 1:20 P.M.
Conference Room 229, State Capitol**

RE: SENATE BILL 2704 RELATING TO TAXABLE INCOME INCLUSION

Chair Nishihara, Vice Chair Espero, and Members of the Committee:

My name is Kamakana Kaimuloa, and I am the Vice President of Military Affairs at The Chamber of Commerce of Hawaii (The Chamber). I am here to state that The Chamber **supports the intent of** 2704, which proposes to exclude any source of income received by an active duty military member from being taxed.

In recognizing how critical the U.S. military presence is to Hawaii's economy, the Chamber officially established a military affairs department in 1985. For 30 years the Chamber, through its Military Affairs Council (MAC), has served as the State's liaison in matters relating to the military and has been steadfast in working to protect and preserve the military's presence in Hawaii, promote public awareness and understanding of issues challenging the military locally and nationally, and serve as the advocate for military and their families.

While this legislation would certainly create an additional benefit for the men and women in uniform who choose our state as their home, we do have some concerns as to whether or not this would result in a revenue shortfall that would significantly impact state programs that are utilized by all Hawaii residents, including active duty military and their families.

Additionally, should this bill move forward we hope that the Committee will consider including active duty members of the United States Coast Guard as well.

Thank you for the opportunity to testify.