

STAND. COM. REP. NO.

371

Honolulu, Hawaii

February 15, 2017

RE: H.B. No. 1276

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Higher Education, to which was referred
H.B. No. 1276 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to encourage Hawaii residents
to pursue postsecondary education by providing a state income tax
deduction for student loan interest paid on qualified education
loans.

Three concerned individuals supported this measure. The
Department of Taxation and Tax Foundation of Hawaii provided
comments.

Your Committee has amended this measure by:

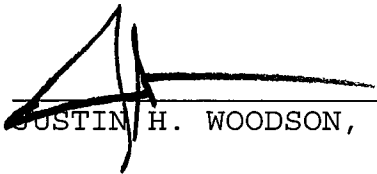
- (1) Clarifying that the state income tax deduction for
student loan interest paid on qualified education loans
shall be in addition to any other deduction provided by
the Income Tax Law, as provided in Chapter 235, Hawaii
Revised Statutes;
- (2) Leaving unspecified the maximum allowable deduction from
gross income amount; and
- (3) Changing its effective date to July 1, 2050, to
encourage further discussion.

HB1276 HD1 HSCR HED HMS 2017-2076



As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1276, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1276, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Higher Education,


JUSTIN H. WOODSON, Chair



