

STAND. COM. REP. NO.

1056

Honolulu, Hawaii

MAR 24 2017

RE: H.B. No. 547
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committees on Education and International Affairs and the Arts, to which was referred H.B. No. 547, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

beg leave to report as follows:

The purpose and intent of this measure is to establish an income tax credit for host families of foreign exchange students, fellows, and interns.

Your Committees received testimony in support of this measure from the International Hospitality Center and fifteen individuals. Your Committees received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committees find that foreign exchange study programs in Hawaii provide significant benefits to program participants and to the State as a whole. Your Committees further find that, although volunteer host families incur significant expenses while hosting an exchange student, fellow, or intern, they receive no compensation. The tax credit established by this measure will alleviate some of the financial burden experienced by host families and make participation in foreign exchange programs as a host economically feasible for more families in Hawaii.

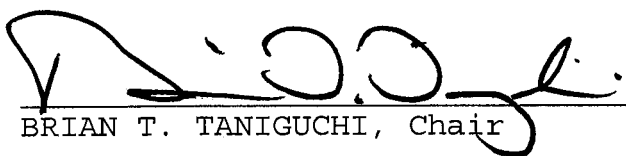
Your Committees have amended this measure by:



- (1) Removing language specifying how the tax credit may be claimed by partnerships and other entities;
- (2) Changing the minimum requirement that a taxpayer act as a host to a foreign individual from thirty days to one month;
- (3) Changing the earliest taxable year to which the tax credit may be applied from taxable years beginning after December 31, 2016, to taxable years beginning after December 31, 2017; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and International Affairs and the Arts that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 547, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 547, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Education and
International Affairs and the
Arts,

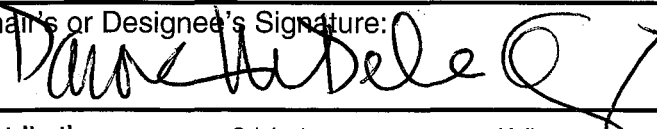

BRIAN T. TANIGUCHI, Chair


MICHELLE N. KIDANI, Chair



The Senate
Twenty-Ninth Legislature
State of Hawai'i

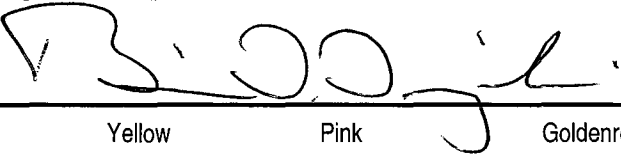
Record of Votes
Committee on Education
EDU

Bill / Resolution No.:* HB 547 HD2	Committee Referral: EDU/IAA, WAM	Date: 3/20/17		
<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
KIDANI, Michelle N. (C)	/			
KAHELE, Kaiali'i (VC)				/
DELA CRUZ, Donovan M.	/			
ESPERO, Will	/			
RIVIERE, Gil	/			
TOTAL	4			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

The Senate
Twenty-Ninth Legislature
State of Hawai'i

Record of Votes
Committee on International Affairs and the Arts
IAA

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 547, HD 2	EDU/IAA, WAM	3/20/2017		
<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
TANIGUCHI, Brian T. (C)	✓			✓
ENGLISH, J. Kalani (VC)				✓
CHANG, Stanley	✓			
IHARA, Jr., Les	✓			
SHIMABUKURO, Maile S.L.	✓			
TOTAL	4	0	0	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