

STAND. COM. REP. NO.

480

Honolulu, Hawaii

February 17, 2017

RE: H.B. No. 652
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 Housing, to which was referred H.B. No. 652
entitled:

"A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING,"

begs leave to report as follows:

The purpose of this measure is to establish an income tax
credit for taxpayers who rent housing to families or individuals:

- (1) Whose income from all sources is less than 100 percent
of the area median income as determined by the United
States Department of Housing and Urban Development; and
- (2) Who have filed state income tax returns for the past ten
consecutive taxable years.

The Department of Taxation and Tax Foundation of Hawaii
submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Extending the income tax credit to taxpayers who rent
housing to eligible organizations that serve homeless or
low-income families or individuals;
- (2) Changing the application of the income tax credit to
apply to taxable years beginning after December 31,
2017;

HB652 HD1 HSCR HSG HMS 2017-2252



- (3) Changing its effective date to take effect upon a date to be determined to enable continued discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 652, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 652, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Housing,



TOM BROWER, Chair



