

STAND. COM. REP. NO.

323

Honolulu, Hawaii

February 14, 2017

RE: H.B. No. 1216

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. 1216 entitled:

"A BILL FOR AN ACT RELATING TO THE LOW-INCOME HOUSING INVESTMENT TAX CREDIT,"

begs leave to report as follows:

The purpose of this measure is to establish a temporary tax credit for investments made in qualified low-income housing projects or qualified low-income buildings.

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

Your Committee has amended this bill by:

- (1) Allowing any portion of the ownership interest or credit to be decoupled and assigned;
- (2) Requiring qualified project depreciation to be calculated under section 168(e)(3)(B) of the Internal Revenue Code;
- (3) Changing the effective date to take effect upon a date to be determined to facilitate further discussion on this measure; 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. 1216, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1216, 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



