

STAND. COM. REP. NO. 812

Honolulu, Hawaii
March 2, 2017

RE: H.B. No. 145
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 Finance, to which was referred H.B. No. 145
entitled:

"A BILL FOR AN ACT RELATING TO NET INCOME TAX,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Restore the deduction for state taxes paid for taxpayers with income above specified thresholds; and
- (2) Establish limitations on claims for itemized tax deductions, based on a taxpayer's federal adjusted gross income.

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

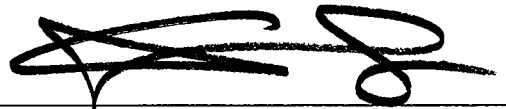
Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 145, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 145, H.D. 1, and be placed on the calendar for Third Reading.

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



SYLVIA LUKE, Chair



