

Honolulu, Hawaii

February 16, 2018

RE: H.B. No. 2231
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Health & Human Services, to which was referred H.B. No. 2231 entitled:

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

begs leave to report as follows:

The purpose of this measure is to provide persons with disabilities the means to travel independently by establishing a refundable income tax credit for the purchase or modification of a vehicle for use by a person with a disability.

The Disability and Communication Access Board and a concerned individual testified in support of this measure. A concerned individual testified in opposition to this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

Your Committee notes the concerns raised regarding the possibility that the tax credit in this measure could be claimed more than once because the original purchaser of the vehicle could claim the tax credit and, if the vehicle is sold, the party to whom the vehicle is sold could also claim the tax credit. Nevertheless, your Committee finds that this measure deserves further consideration.

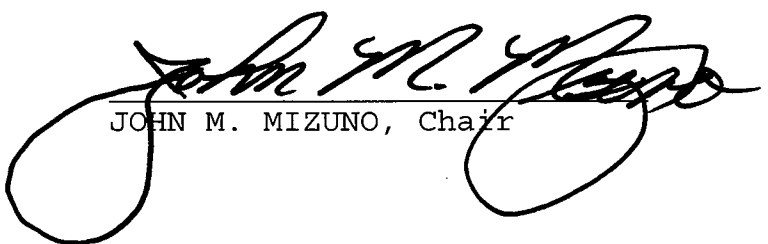


Your Committee has amended this measure by:

- (1) Clarifying the operation of the tax credit to avoid confusion;
- (2) Changing the tax credit from a refundable tax credit to a non-refundable tax credit;
- (3) Changing the calculation of the tax credit from a fixed amount to a percentage of the taxpayer's expenses in purchasing or modifying a vehicle for use by a person with a disability, subject to a cap amount;
- (4) Changing its effective date to July 1, 3000, to facilitate further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health & Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2231, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2231, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Health & Human
Services,


JOHN M. MIZUNO, Chair



State of Hawaii
House of Representatives
The Twenty-ninth Legislature

HJR 684-18

Record of Votes of the Committee on Health & Human Services

Bill/Resolution No.: HB2231	Committee Referral: HHS, FIN	Date: 2-13-18		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HHS Members	Ayes	Ayes (WR)	Nays	Excused
1. MIZUNO, John M. (C)	/			
2. KOBAYASHI, Bertrand (VC)	/			
3. BELATTI, Della Au				✓
4. LEARMONT, Lei R.		✓		
5. TUPOLA, Andria P.L.	/			
TOTAL (5)	3	1	-	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 0.8em;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ <div style="text-align: center; font-size: 1.5em; font-family: cursive;">B. K. ...</div>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				