

Honolulu, Hawaii

February 9, 2018

RE: H.B. No. 2302
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 Agriculture, to which was referred H.B. No. 2302 entitled:

"A BILL FOR AN ACT RELATING TO THE IMPORTANT AGRICULTURAL LAND QUALIFIED AGRICULTURAL COST TAX CREDIT,"

begs leave to report as follows:

The purpose of this measure is to encourage landowners to voluntarily designate their qualifying lands as important agricultural lands by extending the Important Agricultural Land Qualified Agricultural Cost Tax Credit through 2028 to allow landowners sufficient time to apply and qualify for the tax credit.

The Department of Agriculture, Department of Taxation, a Council Member of the Maui County Council, Land Use Research Foundation of Hawaii, Maui County Farm Bureau, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Alexander & Baldwin, Inc., Hawaii Cattlemen's Council, Inc., Hawai'i Farm Bureau, Hawaii Crop Improvement Association, and numerous concerned individuals supported this measure. The Tax Foundation of Hawaii submitted comments on this measure.



Your Committee has amended this measure by:

- (1) Changing its effective date to July 31, 2150, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2302, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2302, H.D. 1, and be referred to your Committee on Water & Land.

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


RICHARD P. CREAGAN, Chair



