

Honolulu, Hawaii

March 2, 2018

RE: H.B. No. 2462  
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 Finance, to which was referred H.B. No. 2462, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAX EXEMPTION,"

begs leave to report as follows:

The purpose of this measure is to make farming more affordable by providing an exemption from the general excise tax on the gross sale proceeds for qualifying farm equipment and machinery; provided that the producer's gross income does not exceed \$200,000.

AG Matters, LLC, Hawaii Cattlemen's Council, Inc., Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Crop Improvement Association, Maui County Farm Bureau, Hawai'i Farm Bureau, Land Use Research Foundation of Hawaii, and many individuals testified in support of this measure. The Department of Agriculture, Department of Taxation, and Tax Foundation of Hawaii provided comments.

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. 2462, H.D. 1, and recommends that it pass Third Reading.



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



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SYLVIA LUKE, Chair



