

STAND. COM. REP. NO.

2651

Honolulu, Hawaii

MAR 02 2018

RE: S.B. No. 3029
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 3029 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to reduce or eliminate the income tax burden on Hawaii taxpayers who have the lowest incomes.

Your Committee received testimony in support of this measure from Americans for Democratic Action, Hawaii Appleseed Center for Law and Economic Justice, League of Women Voters of Hawaii, the Young Women's Christian Association of Oahu, Young Progressives Demanding Action, and sixteen individuals.

Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that Hawaii residents have the highest costs of living and housing in the nation, and many residents, even when employed, struggle to make ends meet. Your Committee recognizes that Hawaii is one of only fifteen states in the nation that impose an income tax on individuals at or below the poverty level. In contrast, most of the other states either provide a tax refund or impose no state income tax on the poorest of the poor.




Your Committee believes that it is appropriate to provide targeted tax relief to those with the lowest incomes in the State. However, your Committee believes that this measure requires further review and examination.

Accordingly, your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3029, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3029, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

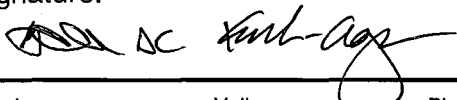


DONOVAN M. DELA CRUZ, Chair



The Senate
Twenty-Ninth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB3029	Committee Referral: WAM	Date: 2/13/18		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani				X
GALUTERIA, Brickwood	X			
HARIMOTO, Breene	X			
INOUE, Lorraine R.				X
KAHELE, Kaiali'i	X			
KIDANI, Michelle N.	X			
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.	X			
WAKAI, Glenn	X			
TOTAL	9			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes