

STAND. COM. REP. NO.

1005

Honolulu, Hawaii

MAR 01 , 2019

RE: H.B. No. 475  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 475, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION OF REAL ESTATE INVESTMENT TRUSTS,"

begs leave to report as follows:

The purpose of this measure is to disallow any deduction from state income taxes for the dividends paid by real estate investment trusts.

Black Development Corporation; American Electric; Coldwell Banker Pacific Properties; C E & S Corp.; Imperial Associates, Ltd; We Are One, Inc.; Hawai'i Alliance for Community-Based Economic Development; ILWU Local 142; League of Women Voters of Hawaii; IMUAlliance; Hawaii Appleseed Center for Law & Economic Justice; Faith Action for Community Equity; Americans for Democratic Action; Hawai'i Alliance for Progressive Action; Hawaiian Community Assets; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Commercial Properties of Maui LLC; Hawaii Foodservice Alliance LLC; and numerous individuals provided testimony in support of this measure. Public Storage; Ala Moana Center; Brookfield Properties; Douglas Emmett, Inc.; Alexander & Baldwin; Taubman Centers, Inc.; OPTrust; Simon Property Group; Park Hotels & Resorts Inc.; Host Hotels & Resorts, Inc.; Sunstone Hotel Investors, Inc.; American

HB475 HD1 HSCR FIN HMS 2019-2472-1



Assets Trust; Hawai'i Association of REALTORS; National Association for Industrial and Office Parks Hawaii; Nareit; Hawai'i Construction Alliance; International Council of Shopping Centers; Land Use Research Foundation; and Hawaii Laborers Union, Local 368 provided testimony in opposition. The Department of Taxation, Tax Foundation of Hawaii, The Church of the Crossroads, and Sierra Club 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. 475, H.D. 1, and recommends that it pass Third Reading.

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



---

SYLVIA LUKE, Chair



