STAND. COM. REP. NO. 1913

Honolulu, Hawaii , 2019 APR 01 RE: S.B. No. 1360 S.D. 1 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 S.B. No. 1360, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to require partnerships, estates, and trusts to withhold taxes on the income of nonresident partners and beneficiaries.

Aloha Petroleum LLC and an individual opposed this measure. The Department of Taxation, Tax Foundation of Hawaii, and Master Limited Partnership Association provided comments.

Your Committee has amended this measure by exempting publicly traded partnerships from withholding taxes on behalf of nonresidents but requiring these partnerships to file an annual information return with the Department of Taxation.

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 S.B. No. 1360, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1360, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.



STAND. COM. REP. NO. 1913 Page 2

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

SYLVIA LUKE, Chair



State of Hawaii House of Representatives The THIRTIETH Legislature

Record of Votes of the Committee on Finance

Bill/Resolution No.: SB 13UD, SD1 Committee Referral: FIN Date: 31519				
□ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit) 				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	-			:
2. CULLEN, Ty J.K. (VC)				
3. ELI, Stacelynn K.M.			· · · ·	
4. GATES, Cedric Asuega				
5. HASHIMOTO, Troy N.				
6. HOLT, Daniel				
7. KITAGAWA, Lisa				
8. KOBAYASHI, Bertrand				
9. MATAYOSHI, Scot Z.		-		
10. NAKAMURA, Nadine K.				
11. NISHIMOTO, Scott Y.				
12. TODD, Chris				
13. WILDBERGER, Tina				
14. YAMASHITA, Kyle T.		-		
15. McDERMOTT, Bob			,	
TOTAL (15)	14	Ø	Ø	
The recommendation is: Image: Adopted Adopted Image: Not Adopted Adopted If joint referral,				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				