

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.

SB1360 HD1 HSCR FIN HMS 2019-3209



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



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SYLVIA LUKE, Chair



