

STAND. COM. REP. NO.

1909

Honolulu, Hawaii

, 2019

APR 01

RE: S.B. No. 495
S.D. 2
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. 495, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to create a nexus standard for taxing out-of-state businesses on their business income earned in the State.

The Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO and Retail Merchants of Hawaii supported this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

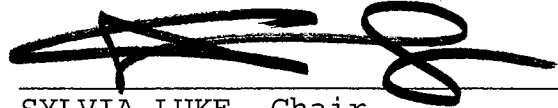
Your Committee has amended this measure by making it effective upon its approval and applicable to taxable years beginning after December 31, 2019.

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. 495, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 495, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

SB495 HD1 HSCR FIN HMS 2019-3206



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

A handwritten signature in black ink, appearing to be 'Sylvia Luke', written over a horizontal line.

SYLVIA LUKE, Chair



