

JAN 17 2020

A BILL FOR AN ACT

RELATING TO TAXATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to part III to be appropriately
3 designated and to read as follows:

4 "§235- Tax credit for early childhood educators. (a)
5 There shall be allowed to each taxpayer subject to the taxes
6 imposed by this chapter, an income tax credit that shall be
7 deductible from the taxpayer's net income tax liability, if any,
8 imposed by this chapter for the taxable year in which the credit
9 is properly claimed.

10 (b) The amount of the credit shall be \$ for each
11 taxpayer who is employed as an early childhood educator by a
12 child care facility in the State.

13 (c) If the tax credit claimed by the taxpayer exceeds the
14 amount of income tax payment due from the taxpayer, the excess
15 of the credit over payments due shall be refunded to the
16 taxpayer; provided that a tax credit under this section properly
17 claimed by an individual who has no income tax liability shall



1 be paid to the taxpayer; and provided further that no refunds or
2 payment on account of the tax credit allowed by this section
3 shall be made for amounts less than \$1.

4 (d) All claims for a tax credit under this section,
5 including amended claims, shall be filed on or before the end of
6 the twelfth month following the close of the taxable year for
7 which the tax credit may be claimed. Failure to comply with the
8 foregoing provision shall constitute a waiver of the right to
9 claim the tax credit.

10 (e) No other tax credit or deduction shall be claimed
11 under this chapter for the certain expenses used to claim a tax
12 credit under this section for the taxable year.

13 (f) The director of taxation:

14 (1) Shall prepare, with assistance from the department of
15 human services, any forms necessary to claim a tax
16 credit under this section;

17 (2) May require the taxpayer to furnish reasonable
18 information to ascertain the validity of the claim for
19 the tax credit made under this section; and

20 (3) May adopt rules, pursuant to chapter 91, to effectuate
21 this section.



1 (g) As used in this section:

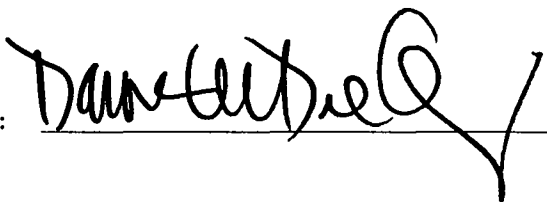
2 "Child care facility" means a licensed child care facility
3 as defined under section 346-151.

4 "Early childhood educator" means a person who works
5 directly with a child in a child care facility."

6 SECTION 2. New statutory material is underscored.

7 SECTION 3. This Act, upon its approval, shall apply to
8 taxable years beginning after December 31, 2019.

9

INTRODUCED BY: 



S.B. NO. 2290

Report Title:

Taxation; Refundable Tax Credit; Early Childhood Educators,
Child Care Facilities

Description:

Establishes a refundable tax credit for each taxpayer who is employed as an early childhood educator by a child care facility in the State. Defines "child care facility" and "early childhood educator." Applies to taxable years beginning after December 31, 2019.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

