

STAND. COM. REP. NO.

806

Honolulu, Hawaii

February 20, 2019

RE: H.B. No. 1044

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. 1044 entitled:

"A BILL FOR AN ACT RELATING TO MARKET-BASED SOURCING,"

begs leave to report as follows:

The purpose of this measure is to reduce the complexity of managing state tax bases for multi-state businesses by adopting market-based sourcing for the imposition of state income tax on sales of services and intangibles under the Uniform Division of Income for Tax Purposes Act.

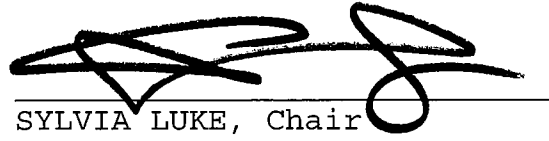
The Department of Taxation supported this measure. The Tax Foundation of Hawaii provided comments.

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. 1044 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

HB1044 HSCR FIN HMS 2019-1942



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



SYLVIA LUKE, Chair



