

STAND. COM. REP. NO. 1893

Honolulu, Hawaii

APR - 5 2019

RE: H.B. No. 1190
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1190, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to amend state income tax rates and provide tax relief for taxpayers whose income places them at or below the poverty level.

Specifically, this measure:

- (1) Eliminates the state income tax for taxpayers with taxable income of:
 - (A) \$3,300 or less for single filers;
 - (B) \$4,800 or less for head of household filers; and
 - (C) \$6,600 or less for joint filers; and
- (2) Amends the state income tax rates for taxpayers with taxable income greater than the amounts provided in paragraph (1).

Your Committee received testimony in support of this measure from the LGBT Caucus of the Democratic Party of Hawaii, Rainbow



Family 808, Americans for Democratic Action Hawaii, Hawaiian Community Assets, Hawaii Appleseed Center for Law and Economic Justice, League of Women Voters of Hawaii, Oahu County Democrats, and numerous individuals.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

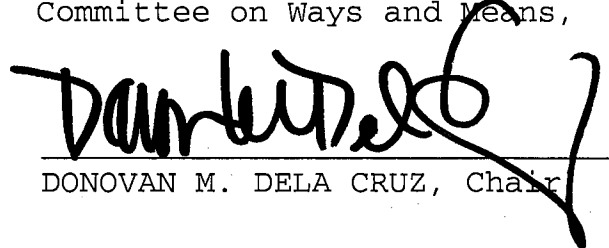
Your Committee finds that Hawaii is one of only fifteen states that currently impose a tax on the income of those who are at or below the poverty level. Your Committee further finds that eliminating the state income tax liability in the lowest tax brackets would help workers whose income places them at or below the poverty line.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2035, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1190, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1190, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

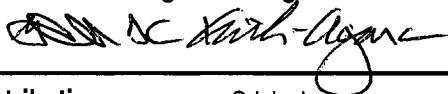


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB 1190, HD1	Committee Referral: WAM	Date: 3/29/19		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
HARIMOTO, Breene	X			
INOUYE, Lorraine R.	X			
KAHELE, Kaiali'i				X
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.				X
MORIWAKI, Sharon Y.	X			
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
FEVELLA, Kurt				X
TOTAL	10			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes