

STAND. COM. REP. NO.

745

Honolulu, Hawaii

FEB 28 2019

RE: S.B. No. 885
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 S.B. No. 885 entitled:

"A BILL FOR AN ACT RELATING TO THE LOW-INCOME HOUSEHOLD RENTERS CREDIT,"

begs leave to report as follows:

The purpose and intent of this measure is to increase the income ceiling to qualify for the low-income household renters income tax credit and increase the amount of the tax credit per qualified exemption.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, League of Women Voters of Hawaii, Catholic Charities Hawaii, Americans for Democratic Action Hawaii, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Alliance for Progressive Action, IMUAlliance, Chamber of Commerce Hawaii, and five individuals.

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

Your Committee finds that the low-income household renters tax credit amount has not been changed since 1981, and the adjusted gross income ceiling has not been adjusted since 1989.



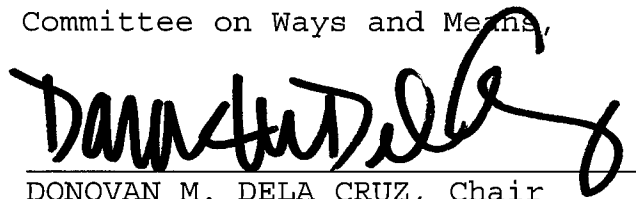
Your Committee further finds that basing the income threshold for the income tax credit for low-income renters on the taxpayer's filing status will ensure efficient and fair administration of the tax credit.

Your Committee has amended this measure by:

- (1) Changing the income threshold amount from \$60,000 for all taxpayers to \$30,000 for single filers or married filers filing separately, \$45,000 for head of household filers, and \$75,000 for joint filers;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making this measure applicable to taxable years beginning after December 31, 2019.

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 S.B. No. 885, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 885, 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,

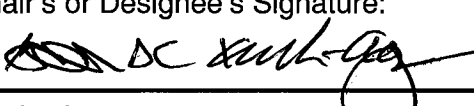


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 885	WAM	2/6/19		
<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	13			
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