

STAND. COM. REP. NO.

923

Honolulu, Hawaii

MAR 05 2021

RE: S.B. No. 614
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 614, S.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 exempt certain unemployment insurance benefits from the state income tax.

More specifically, this measure:

- (1) Exempts from the state income tax any unemployment insurance compensation and pandemic unemployment assistance payments received between March 1, 2020, and December 31, 2020; and
- (2) Requires the Department of Taxation to allow individuals to credit against the individual's overall state income tax liability the state income tax that was deducted and withheld from the individual's unemployment compensation or pandemic unemployment assistance between March 1, 2020, and December 31, 2020.

Your Committee received written comments in support of this measure from Hawaii Iron Workers Stabilization Fund; Hawaii Lodging and Tourism Association; Hawaii Workers Center; IATSE



Local 665; ILWU Local 142; Pono Hawaii Initiative; UFCW 480; We Are One, Inc.; and numerous individuals.

Your Committee received written comments in opposition to this measure from four individuals.

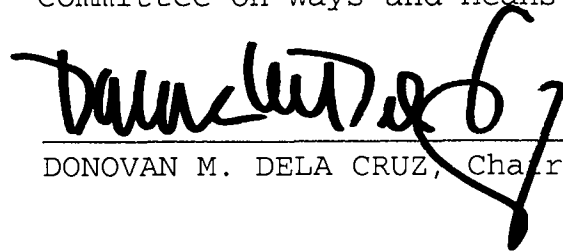
Your Committee received written comments on this measure from the Department of Budget and Finance, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that exempting from state income tax certain unemployment compensation and pandemic unemployment assistance payments received by residents of the State as a result of the coronavirus disease 2019 pandemic will help to alleviate significant economic hardships experienced by numerous residents of the State.

Your Committee has amended this measure by making technical nonsubstantive amendments 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 S.B. No. 614, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 614, S.D. 2.

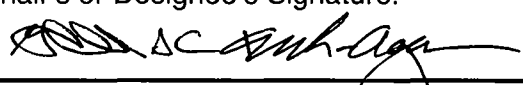
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 614, SD 1	LCA, WAM	3/4/21		
<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			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.				X
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	10			1
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