

A BILL FOR AN ACT

RELATING TO TAXATION.

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

1	SECTION 1. Section 235-51, Hawaii Revised Statutes, is
2	amended by amending subsection (f) to read as follows:
3	"(f) If a taxpayer has a net capital gain for any taxable
4	year to which this subsection applies, then the tax imposed by
5	this section shall not exceed the sum of:
6	(1) The tax computed at the rates and in the same manner
7	as if this subsection had not been enacted on the
8	greater of:
9	(A) The taxable income reduced by the amount of net
10	capital gain, or
11	(B) The amount of taxable income taxed at a rate
12	below 7.25 per cent, plus
13	(2) A tax of 7.25 per cent of the amount of taxable income
14	in excess of the amount determined under
15	paragraph (1).
16	This subsection shall apply to individuals, estates, and
17	trusts for taxable years beginning after December 31, 1986[-];

- 1 provided that this subsection shall not apply to the sale of a
- 2 residential property by a taxpayer who is sixty-five years of
- 3 age or older."
- 4 SECTION 2. Statutory material to be repealed is bracketed
- 5 and stricken. New statutory material is underscored.
- 6 SECTION 3. This Act, upon its approval, shall apply to
- 7 taxable years beginning after December 31, 2021.

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INTRODUCED BY:

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JAN 2 1 2022

H.B. NO. 1702

Report Title:

Capital Gains Tax; Residential Property; Elderly; Exemption

Description:

Exempts the net capital gain from the sale of a residential property by a taxpayer who is sixty-five years of age or older from the capital gains tax.

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

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