

JAN 19 2022

A BILL FOR AN ACT

RELATING TO AN AFFORDABLE HOUSING TAX CREDIT.

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

SECTION 1. Chapter 235, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§235- Affordable housing for veterans tax credit. (a)

There shall be allowed to each taxpayer subject to the tax imposed by this chapter, who has filed a net income tax return for a taxable year, and who owns a rental property development that meets the requirements of subsection (c), an affordable housing for veterans tax credit.

(b) The amount of the tax credit under this section shall be per cent of the rent received for units in qualifying rental property developments and shall be deductible from the taxpayer's net income tax liability, if any, imposed by this chapter for the taxable year in which the credit is properly claimed on a timely basis. A credit under this section may be claimed whether or not the taxpayer claims a federal low-income



1 housing tax credit pursuant to section 42 of the Internal
2 Revenue Code.

3 (c) A qualifying rental property development shall:

4 (1) Be comprised of affordable housing; and

5 (2) Prioritize veteran tenants for at least per cent
6 of units.

7 (d) For the purposes of this section:

8 "Affordable housing" means the same as defined under
9 section 201H-57.

10 "Veteran" means the same as defined under section 363-1."

11 SECTION 2. New statutory material is underscored.

12 SECTION 3. This Act, upon its approval, shall apply to
13 taxable years beginning after December 31, 2021.

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INTRODUCED BY:

Arisee L. Inouye



S.B. NO. 2063

Report Title:

Affordable Housing Developments; Veterans; Tax Credit

Description:

Establishes a tax credit for taxpayers who own affordable housing property developments that include a percentage of units prioritizing veteran tenants.

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