STAND. COM. REP. NO. 707

Honolulu, Hawaii

, 2021

FEB 17

RE: H.B. No. 1116

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1116 entitled:

"A BILL FOR AN ACT RELATING TO TAX CONFORMITY,"

begs leave to report as follows:

The purpose of this measure is to require the State to conform to those provisions of the federal Consolidated Appropriations Act, 2021, relating to taxable income and deductible expenses.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii, Hawaii Restaurant Association, Island Plastic Bags Inc., Hawaii Food Industry Association, Hawaii Lodging and Tourism Association, and Hawaii Association of Public Accountants. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the Consolidated Appropriations Act, 2021, Public Law 116-260, was enacted by the federal government on December 27, 2020. This Act, among other things, provides federal funding and stipulates federal tax treatment of certain taxable income and deductible expenses.

Your Committee has amended this measure by changing its effective date to January 1, 2050, to encourage further discussion.

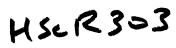
Your Committee notes that the Department of Taxation testified at the public hearing on this measure in which it recommended whether the State should conform to those provisions of the Consolidated Appropriations Act, 2021. Should your Committee on Finance consider this measure, your Committee requests that it give consideration to these recommendations.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1116, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1116, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

AARON JOG JOHANSON, Chair

## State of Hawaii House of Representatives The Thirty-first Legislature



## **Record of Votes of the Committee on Consumer Protection & Commerce**

Bill/Resolution No.:	Committee Referral:		Date: 2/9/2021		
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)					
<b>CPC Members</b>	Ayes	Ayes (WR)	Nays	Excused	
1. JOHANSON, Aaron Ling (C)	V				
2. KITAGAWA, Lisa (VC)	V				
3. AQUINO, Henry J.C.	V				
3. AQUINO, Henry J.C.					
4. HAR, Sharon E.				en etaka en erikak Pilan etak keneletak	
5. HASHEM, Mark J.	V				
6. KONG, Sam Satoru	<b>V</b>				
7. MIZUNO, John M.					
7. Mizoro, join M.					
8. MORIKAWA, Dee					
9. ONISHI, Richard H.K.	V				
10 FADNAC D. LA					
10. TARNAS, David A.	V				
11. MATSUMOTO, Lauren					
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TOTAL (11)	11	-			
The recommendation is:  Adopted  If joint referral,  committee acronym(s)  Not Adopted  did not support recommendation.					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					