

STAND. COM. REP. NO. 7158 -22

Honolulu, Hawaii

FEB 15 , 2022

RE: H.B. No. 1569
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred
H.B. No. 1569 entitled:

"A BILL FOR AN ACT RELATING TO THE REFUNDABLE FOOD/EXCISE TAX
CREDIT,"

begs leave to report as follows:

The purpose of this measure is to increase the income
threshold eligibility to claim the refundable food/excise tax
credit.

Your Committee received testimony in support of this measure
from the Children's Action Network Speaks!, Hawai'i Alliance for
Progressive Action, Hawaii Food Industry Association, and two
individuals. Your Committee received comments on this measure
from the Department of Taxation, Department of Budget and Finance,
and Tax Foundation of Hawaii.

Your Committee finds that Hawaii places one of the highest
tax burdens on low-income households in the nation. Families in
Hawaii who earn less than \$20,000 per year pay roughly fifteen
percent of their income to state and local taxes. In comparison,
those who make over \$450,000 pay only about nine percent. This
measure would create a more equal tax system and provide some
financial relief to those who need it the most by allowing more
families to qualify for the refundable food/excise tax credit.

2022-1271 HB1569 HD1 HSCR HMSO



Your Committee has amended this measure by:

- (1) Changing the maximum threshold amounts to qualify for the refundable food/excise tax credit to unspecified amounts; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1569, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1569, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development,



SEAN QUINLAN, Chair



