

STAND. COM. REP. NO.

2821

Honolulu, Hawaii

**MAR 03 2022**

RE: S.B. No. 3099  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 3099 entitled:

"A BILL FOR AN ACT RELATING TO EARNED INCOME TAX CREDIT,"

begs leave to report as follows:

The purpose and intent of this measure is to extend the availability of the state earned income tax credit.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, the Department of Human Services, the Department of Taxation, Americans for Democratic Action, Catholic Charities Hawaii, Chamber of Commerce Hawaii, Hawaii Children's Action Network Speaks!, Hawaii Health and Harm Reduction Center, Planned Parenthood Alliance Advocates, Pono Hawaii Initiative, and three individuals.

Your Committee received testimony in opposition to this measure from one individual.

Your Committee received comments on this measure from the Hawaii Appleseed Center for Law and Economic Justice, Parents And Children Together, and Tax Foundation of Hawaii.

Your Committee finds that the state earned income tax credit, codified as section 235-55.75, Hawaii Revised Statutes, provides an incentive for taxpayers to work, while also reducing the tax

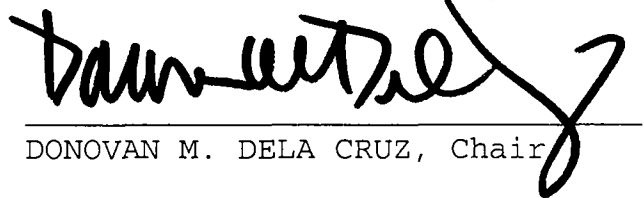


burden on low- and moderate-income families. Your Committee also finds that, under present law, the state earned income tax credit shall not apply to taxable years beginning after December 31, 2022. Your Committee further finds that this measure would extend the availability of the state earned income tax credit by an additional six years.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

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. 3099, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3099, S.D. 1, and be placed on the calendar for Third Reading.

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

  
DONOVAN M. DELA CRUZ, Chair



