

STAND. COM. REP. NO. **1876**

Honolulu, Hawaii
APR 09 , 2021

RE: S.B. No. 659
S.D. 2
H.D. 3

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 659, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO LOW-INCOME HOUSING TAX CREDIT,"

begs leave to report as follows:

The purpose of this measure is to amend the Low-Income Housing Tax Credit by:

- (1) Allowing the tax credit to be allocated among the partners or members of the partnership or limited liability company earning the credit in any manner agreed to by the partners or members;
- (2) Requiring claims for the Low-Income Housing Tax Credit to include Internal Revenue Service Form 8609;
- (3) Extending the increases made to the Low-Income Housing Tax Credit to an unspecified date; and
- (4) Applying the amendments to taxable years beginning after December 31, 2020.



Your Committee received testimony in support of this measure from the Maui Chamber of Commerce; Bank of Hawaii; Dowling Company, Inc.; NAIOP Hawaii; and one individual. Your Committee received comments on this measure from the Department of Budget and Finance, Department of Taxation, Tax Foundation of Hawaii, Hunt Companies - Hawaii, Hunt Capital Partners LLC, Sugar Creek Capital, and Stanford Carr Development, LLC.

Your Committee has amended this measure by:

- (1) Changing when the amendments apply from taxable years beginning after December 31, 2020, to taxable years beginning after December 31, 2050; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 659, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 659, S.D. 2, H.D. 3.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIE LUKE, Chair



