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# A BILL FOR AN ACT

RELATING TO TAXATION.

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

1           SECTION 1. Section 235-55.6, Hawaii Revised Statutes, is  
2 amended by amending subsection (c) to read as follows:

3           "(c) Dollar limit on amount creditable. The amount of the  
4 employment-related expenses incurred during any taxable year  
5 which may be taken into account under subsection (a) shall not  
6 exceed:

7           (1) [~~\$2,400~~] \$10,000 if there is one qualifying individual  
8 with respect to the taxpayer for such taxable year, or

9           (2) [~~\$4,800~~] \$20,000 if there are two or more qualifying  
10 individuals with respect to the taxpayer for such  
11 taxable year.

12 The amount determined under paragraph (1) or (2) (whichever is  
13 applicable) shall be reduced by the aggregate amount excludable  
14 from gross income under section 129 (with respect to dependent  
15 care assistance programs) of the Internal Revenue Code for the  
16 taxable year."



1 SECTION 2. Section 235-55.75, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:

3 "(a) Each qualifying individual taxpayer may claim a  
4 refundable earned income tax credit. The tax credit, for the  
5 appropriate taxable year, shall be [~~twenty~~] forty per cent of  
6 the federal earned income tax credit allowed and properly  
7 claimed under section 32 of the Internal Revenue Code and  
8 reported as such on the individual's federal income tax return."

9 SECTION 3. Section 235-55.85, Hawaii Revised Statutes, is  
10 amended by amending subsection (b) to read as follows:

11 "(b) Each individual taxpayer may claim a refundable  
12 food/excise tax credit multiplied by the number of qualified  
13 exemptions to which the taxpayer is entitled in accordance with  
14 the table below; provided that [~~a husband and wife~~] spouses  
15 filing separate tax returns for a taxable year for which a joint  
16 return could have been filed by them shall claim only the tax  
17 credit to which they would have been entitled had a joint return  
18 been filed.

19

20 [~~Adjusted gross income~~                      ~~Credit per exemption~~  
21 ~~for taxpayers filing~~



1	<del>a single return</del>	
2	<del>Under \$5,000</del>	<del>\$110</del>
3	<del>\$5,000 under \$10,000</del>	<del>\$100</del>
4	<del>\$10,000 under \$15,000</del>	<del>\$ 85</del>
5	<del>\$15,000 under \$20,000</del>	<del>\$ 70</del>
6	<del>\$20,000 under \$30,000</del>	<del>\$ 55</del>
7	<del>\$30,000 and over</del>	<del>\$ 0.</del>
8		
9	<del>Adjusted gross income</del>	<del>Credit per exemption</del>
10	<del>for heads of household,</del>	
11	<del>married individuals filing</del>	
12	<del>separate returns, and</del>	
13	<del>married couples filing</del>	
14	<del>joint returns</del>	
15	<del>Under \$5,000</del>	<del>\$110</del>
16	<del>\$5,000 under \$10,000</del>	<del>\$100</del>
17	<del>\$10,000 under \$15,000</del>	<del>\$ 85</del>
18	<del>\$15,000 under \$20,000</del>	<del>\$ 70</del>
19	<del>\$20,000 under \$30,000</del>	<del>\$ 55</del>
20	<del>\$30,000 under \$40,000</del>	<del>\$ 45</del>
21	<del>\$40,000 under \$50,000</del>	<del>\$ 35</del>



1	<del>\$50,000 and over</del>	<del>\$ 0.]</del>
2	<u>Adjusted gross income</u>	<u>Credit per exemption</u>
3	<u>for taxpayers filing</u>	
4	<u>a single return</u>	
5	<u>Under \$15,000</u>	<u>\$220</u>
6	<u>\$15,000 under \$20,000</u>	<u>\$200</u>
7	<u>\$20,000 under \$25,000</u>	<u>\$170</u>
8	<u>\$25,000 under \$30,000</u>	<u>\$140</u>
9	<u>\$30,000 under \$40,000</u>	<u>\$110</u>
10	<u>\$40,000 and over</u>	<u>\$ 0.</u>
11		
12	<u>Adjusted gross income</u>	<u>Credit per exemption</u>
13	<u>for heads of household,</u>	
14	<u>surviving spouses,</u>	
15	<u>spouses filing</u>	
16	<u>separate returns, and</u>	
17	<u>married couples filing</u>	
18	<u>joint returns</u>	
19	<u>Under \$15,000</u>	<u>\$220</u>
20	<u>\$15,000 under \$20,000</u>	<u>\$200</u>
21	<u>\$20,000 under \$25,000</u>	<u>\$170</u>



1	<u>\$25,000 under \$30,000</u>	<u>\$140</u>
2	<u>\$30,000 under \$40,000</u>	<u>\$110</u>
3	<u>\$40,000 under \$50,000</u>	<u>\$ 90</u>
4	<u>\$50,000 under \$60,000</u>	<u>\$ 70</u>
5	<u>\$60,000 and over</u>	<u>\$ 0."</u>

6 SECTION 4. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8 SECTION 5. This Act, upon its approval, shall apply to  
9 taxable years beginning after December 31, 2022; provided that  
10 on December 31, 2027, this Act shall be repealed and sections  
11 235-55.6(c), 235-55.75(a), and 235-55.85(b), Hawaii Revised  
12 Statutes, shall be reenacted in the form in which they read on  
13 the day prior to the effective date of this Act.



**Report Title:**

Household and Dependent Care Services Tax Credit; Earned Income Tax Credit; Refundable Food/excise Tax Credit

**Description:**

Increases the household and dependent care services tax credit for five years. Increases the refundable earned income tax credit for five years. Increases the income thresholds and credit amounts of the refundable food/excise tax credit for five years. (CD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

