

STAND. COM. REP. NO. 1171

Honolulu, Hawaii
MAR 03 , 2023

RE: H.B. No. 561
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 561, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to require any income tax credit established or renewed after December 31, 2023, to include a five-year sunset or an annual one-third reduction in the credit amount beginning with the sixth year of the credit.

Your Committee received testimony in opposition to this measure from Hawai'i Children's Action Network Speaks!, Hawaii Appleseed Center for Law & Economic Justice, and three individuals. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

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 H.B. No. 561, H.D. 1, and recommends that it pass Third Reading.



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

A handwritten signature in black ink, appearing to read 'KYLE T. YAMASHITA', written over a horizontal line.

KYLE T. YAMASHITA, Chair



