
A BILL FOR AN ACT

RELATING TO TAXES.

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

- 1 SECTION 1. Section 235-17, Hawaii Revised Statutes, is
2 amended by amending subsection (d) to read as follows:
- 3 "(d) To qualify for this tax credit, a production shall:
- 4 (1) Meet the definition of a qualified production
5 specified in subsection (o);
- 6 (2) Have qualified production costs totaling at least
7 \$100,000;
- 8 (3) Provide the State a qualified Hawaii promotion, which
9 shall be at a minimum, a shared-card, end-title screen
10 credit, where applicable;
- 11 (4) Provide evidence of reasonable efforts to hire local
12 talent and crew;
- 13 (5) Provide evidence when making any claim for products or
14 services acquired or rendered outside of this State
15 that reasonable efforts were unsuccessful to secure
16 and use comparable products or services within this
17 State;



- 1 (6) Provide evidence of financial or in-kind contributions
2 or educational or workforce development efforts, in
3 partnership with related local industry labor
4 organizations, educational institutions, or both,
5 toward the furtherance of the local film and
6 television and digital media industries;
- 7 (7) [~~Be compliant~~] Provide evidence of reasonable efforts
8 to comply with all applicable requirements under title
9 14, including tax return filing and payments; and
- 10 (8) Provide complete responses to the department of
11 taxation's inquiries and document requests, in the
12 form prescribed by the department, no later than
13 ninety days from the inquiry or request[+];
14 provided that a taxpayer shall be given notice of and an
15 opportunity to cure any failure to meet the requirements of this
16 subsection."

17 SECTION 2. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 3. This Act, upon its approval, shall apply to
20 taxable years beginning after December 31, 2023.

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H.B. NO. 2005

INTRODUCED BY: *Patrick J. ...*

JAN 19 2024



H.B. NO. 2005

Report Title:

Motion Picture, Digital Media, and Film Production Income Tax Credit; Compliance; Cure

Description:

Requires productions to provide evidence of reasonable efforts to comply with all applicable requirements to qualify for the motion picture, digital media, and film production income tax credit. Requires taxpayers be given notice of and an opportunity to cure any failure to meet the requirements for the tax credit.

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