

STAND. COM. REP. NO. 1786

Honolulu, Hawaii

APR 06 2023

RE: H.B. No. 610
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 610, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to establish the farm workforce retention tax credit for farm employers or owners of farm employers that employ farm employees who are unable to work due to documented illnesses or disabilities.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, Hawaii Farmers Union United, Maui Chamber of Commerce, Ulupono Initiative, and three individuals.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that by supporting efforts of farm businesses to incentivize farm employees' long-term workforce commitments, the farm workforce retention tax credit will help to address the labor retention issues faced by the agricultural industry in Hawaii.



Your Committee has amended this measure by:

- (1) Making the farm workforce retention tax credit nonrefundable;
- (2) Clarifying how the tax credit will be determined and distributed for partnerships, S corporations, estates, and trusts;
- (3) Clarifying the statutory deadline by which claims for the tax credit must be filed; and
- (4) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

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 H.B. No. 610, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 610, H.D. 2, S.D. 1.

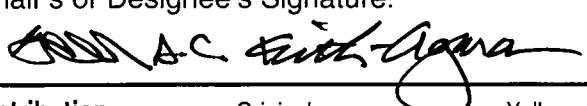
Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirty-Second Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB 610, HD 2	Committee Referral: REN, WAM	Date: 4/4/23		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
AQUINO, Henry J.C.				X
DECOITE, Lynn	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo				X
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
MORIWAKI, Sharon Y.	X			
SHIMABUKURO, Maile S.L.				X
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
TOTAL	10			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes