

STAND. COM. REP. NO.

1166

Honolulu, Hawaii

FEB 28 , 2025

RE: H.B. No. 476
H.D. 2

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Finance, to which was referred H.B. No. 476, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CAPITAL GAINS TAX,"

begs leave to report as follows:

The purpose of this measure is to increase the capital gains tax rate for individuals, estates, and trusts to nine percent and the alternative capital gains tax rate for corporations to five percent.

Your Committee received testimony in support of this measure from the Hawai'i Health & Harm Reduction Center; Hawaii Appleseed Center for Law & Economic Justice; Hawaii State AFL-CIO; and two individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS; Grassroot Institute of Hawaii; Hawaiian Islands Republican Women; and numerous individuals. Your Committee received comments on this measure from the Department of Taxation; Hawai'i Children's Action Network Speaks!; Democratic Party of Hawai'i Education Caucus; and Tax Foundation of Hawaii.

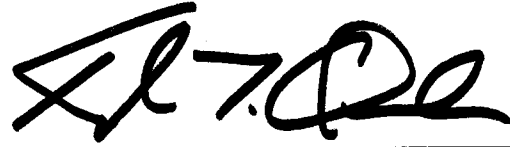
Your Committee has amended this measure by changing the capital gains tax rate for individuals, estates, and trusts and alternative capital gains tax rate for corporations to unspecified percentages.

2025-2193 HB476 HD2 HSCR HMSO



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. 476, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 476, H.D. 2.

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



KYLE T. YAMASHITA, Chair



