

A Bill for an Act Relating to Tax Deductions for Pollution Control Devices.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 235, Hawaii Revised Statutes, is amended by adding thereto a new section to be appropriately designated and to read as follows:

“Sec. 235- . Amortization of certified pollution control facilities. Subject to other provisions of this chapter, every person, at his election, shall be entitled to a deduction with respect to the amortization of the amortizable basis of any certified pollution control facility in the manner, for the period, and to the extent set out in section 169 of the Internal Revenue Code of 1954, as amended by section 704 of the Tax Reform Act of 1969 (P.L. 91-172); provided, however, the amortization deduction shall be available only with respect to a facility (1) the construction, reconstruction or erection of which is completed by the taxpayer after December 31, 1969, or, (2) which is acquired by the taxpayer after December 31, 1969, if the original use of the property commences with the taxpayer after December 31, 1969; provided, further, that the facility is placed in service by the taxpayer before January 1, 1975.

(a) Any water or air pollution control facility, equipment or device purchased, constructed or reconstructed and installed pursuant to rules and regulations adopted by the department of health, or any ordinance, rules and regulations of any governing body of a county consistent with the rules and regulations of the department of health, shall be certified by the State water or air pollution control agency as being in conformity with the State program or requirements for control of either water or air pollution.

(b) Written notice of election to take the accelerated amortization deduction under this section shall be filed with the department of taxation on or before the filing date of the return for the first taxable year for which the election is made under this section. The notice shall be submitted on the form and in the manner as the department of taxation shall prescribe pursuant to chapter 91.

(c) The taxpayer shall file with the department of taxation at the time of his election the certification of approval for the pollution control facility, equipment or device issued by the State water or air pollution control agency, whichever is applicable, and such other documents and data relating thereto as the department of taxation may require.”

SECTION 2. Material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 3. This Act, upon its approval, shall be effective for the tax years beginning on and after January 1, 1970.

(Approved June 22, 1970.)

* Edited accordingly