

STAND. COM. REP. NO. **703** -24

Honolulu, Hawaii

, 2024

FEB 29

RE: H.B. No. 1803

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1803, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PASS-THROUGH ENTITY TAXATION,"

begs leave to report as follows:

The purpose of this measure is to reduce the pass-through entity level tax rate and allow the pass-through entity tax credit to be carried forward to subsequent years.

Your Committee received testimony in support of this measure from Accuity LLP; Hawai'i Restaurant Association; Grassroot Institute of Hawaii; Craft 'Ohana; Chamber of Commerce Hawaii; C&Y CPAs LLC; and three individuals. Your Committee received comments on this measure from the Department of Taxation and 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. 1803, H.D. 1, and recommends that it pass Third Reading.

2024-1742 HB1803 HD1 HSCR HMSO



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



KYLE T. YAMASHITA, Chair



