

STAND. COM. REP. NO. **454**-24

Honolulu, Hawaii
FEB 15, 2024

RE: H.B. No. 1918
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 Judiciary & Hawaiian Affairs, to which was referred H.B. No. 1918, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Extend the sunset date for the historic preservation tax credit to December 31, 2030; and
- (2) Incrementally increase the cap on the total tax credits.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Historic Hawai'i Foundation; and two individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the historic preservation tax credit is used to rehabilitate historic homes to meet contemporary standards and has helped to underwrite the rehabilitation and adaptive reuse of commercial properties. The historic preservation tax credit has kept residential and commercial properties in use while preserving the historic character and vitality of the properties. Your Committee believes that



extending and increasing the tax credit will enhance community character, provide affordable housing, and encourage economic development in older neighborhoods and commercial districts.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider the following amounts for the maximum aggregate amounts for future taxable years:

- (1) For the 2025 taxable year: \$1,500,000;
- (2) For the 2026 taxable year: \$2,000,000;
- (3) For the 2027 taxable year: \$2,500,000;
- (4) For the 2028 taxable year: \$3,000,000;
- (5) For the 2029 taxable year: \$3,500,000; and
- (6) For the 2030 taxable year: \$4,000,000.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1918, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary &
Hawaiian Affairs,



DAVID A. TARNAS, Chair



