

Honolulu, Hawaii FEB 28 , 2025

RE: H.B. No. 1145 H.D. 1

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. 1145 entitled:

"A BILL FOR AN ACT RELATING TO CONFORMITY TO THE INTERNAL REVENUE CODE,"

begs leave to report as follows:

The purpose of this measure is to conform Hawaii income and estate and generation-skipping transfer tax laws to the Internal Revenue Code of 1986, as amended as of December 31, 2024.

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

Your Committee finds that this annual conformity measure is submitted by the Department of Taxation to ensure state income tax and state estate and generation-skipping transfer tax laws conform to the federal Internal Revenue Code as it exists on December 31 of the preceding calendar year. This measure updates state tax laws with changes made to the federal Internal Revenue Code during the past year that are appropriate for Hawaii law.

Your Committee has amended this measure by:



STAND. COM. REP. NO. Page 2

- (1) Conforming to sections 1, 2, and 3 of the Federal Disaster Tax Relief Act of 2023 relating to disaster tax relief; and
- (2) Changing the effective date to July 1, 3000, to encourage further discussion.

۰.

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. 1145, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1145, H.D. 1, and be placed on the calendar for Third Reading.

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

KYLE T. YAMASHITA, Chair



State of Hawaii House of Representatives The Thirty-third Legislature



Record of Votes of the Committee on Finance

Bill/Resolution No.: HB1145	Committee	e Referral: -N	Dat	e: 2/17/	25
The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
FIN Members		Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)		1			
2. TAKENOUCHI, Jenna (VC)		/			
3. GRANDINETTI, Tina Nakad	la				1
4. HOLT, Daniel		/			
5. HUSSEY, Ikaika		1			
6. KEOHOKAPU-LEE LOY, St	ie L.				
7. KITAGAWA, Lisa		1			
8. KUSCH, Matthias		/			
9. LAMOSAO, Rachele F.		1			
10. LEE, Mike					
11. MIYAKE, Tyson K.		1			
12. MORIKAWA, Dee	AND INTERVISION OF BUCK AND		2 · · · · · · · · · · · · · · · · · · ·		
13. TEMPLO, Shirley Ann		1			
14. ALCOS III, David				- 	
15. REYES ODA, Julie		/			
16. WARD, Gene					
	· · · · · ·				
TOTAL (16)		12			φ
	dopted	Not Adopted	 1		
If join	t referral,		did not suppo	rt recommendation.	
committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					