STAND. COM. REP. NO.



Honolulu, Hawaii

FEB 28 , 2025

RE: H.B. No. 701 H.D. 3

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. 701, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to establish a tax credit for nonpaid family caregivers.

Your Committee received testimony in support of this measure from the Disability and Communication Access Board; Policy Advisory Board for Elder Affairs; AARP Hawai'i; The Institute for Human Services, Inc.; Hawai'i Children's Action Network Speaks!; Alzheimer's Association; and seven individuals. Your Committee received comments on this measure from Department of Taxation; Executive Office on Aging; and Tax Foundation of Hawaii.

Your Committee has amended this measure by:

- (1) Making the amount of the tax credit equal to a percentage of a taxpayer's qualified expenses;
- (2) Changing the tax credit cap per taxpayer to an unspecified amount;

- (3) Specifying a sunset date of five years for any excess nonrefundable credits to be carried forward as a credit against tax liability; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 701, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 701, H.D. 3.

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

HSCR 1020

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB701, HD2	Committee Referral: #SH, ECD, F(N	Date	2/24/2	5
☐ 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)				
2. TAKENOUCHI, Jenna (VC)				
3. GRANDINETTI, Tina Nakada				
4. HOLT, Daniel		84°582.033038000.04440.00		
5. HUSSEY, Ikaika				
6. KEOHOKAPU-LEE LOY, Sue L	OF THE CONTRACT OF THE PARTY OF		A DESCRIPTION OF THE PROPERTY	
7. KITAGAWA, Lisa				
8. KUSCH, Matthias				
9. LAMOSAO, Rachele F. 10. LEE, Mike				
11. MIYAKE, Tyson K.				
12. MORIKAWA, Dee			Alany (4. Sauth niiden).	THE RESERVE THE PARTY OF THE PA
13. TEMPLO, Shirley Ann				
14. ALCOS III, David			HINTER TO TOO SECTION OF THE PROPERTY.	新 州 斯·西·西克·安·斯斯斯斯
15. REYES ODA, Julie	material and March			
16. WARD, Gene	The state of the s	100000 x 100000 x 100000 x 10000 x 100000 x 100000 x 100000 x 10000 x 100000 x 10000 x 10000 x 10000 x	BITTER CLASS OF THE PROPERTY O	
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TOTAL (16)	15	0		
			0	
The recommendation is: Adopted If joint referral, committee acronyma did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				