Honolulu, Hawaii

H.B. No. 1789 RE:

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 1789 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to provide tax relief to trusts whose sole beneficiaries are blind, deaf, or disabled.

More specifically, this measure:

- Extends the general excise tax rate of one-half per cent (1)charged to blind, deaf, or totally disabled persons or business entities owned by blind, deaf, or totally disabled persons to trusts with a sole beneficiary who is blind, deaf, or totally disabled; and
- Exempts from the general excise tax amounts, up to (2) \$2,000, received by a trust with a sole beneficiary who is blind, deaf, or totally disabled.

The Department of Taxation submitted comments, but otherwise, took no position of this measure.

Your Committee notes that the amendment proposed in this measure is a technical amendment to current tax law. Currently, general excise tax law provides tax relief for any individual, corporation, partnership, or limited liability company, the members of which are blind, deaf, or totally disabled. This

HB1789 HSCR LRB 06-2010.doc



measure would include a trust, the sole beneficiary of which is blind, deaf, or totally disabled, within the current general excise tax relief.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1789 and recommends that it pass Second Reading and be referred to the Committee on Finance.

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

DENNIS A. ARAKAKI, Chair

State of Hawaii House of Representatives The Twenty-third Legislature

StSCR 605

Record of Votes of the Committee on Health

Bill/Resolution No.: HB 1799	Date:	2/16/06		
Committee Referral: HLT, FIN	☐ The committee is reconsidering its previous decision on the measure.			
The recommendation is to: Pass, unamended				
☐ Hold	□ R	ecommit	T	
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. ARAKAKI, Dennis A. (C)				
2. GREEN, Josh, M.D. (VC)			andangsen er stagen andandskipping i	
3. CABANILLA, Rida T.R.				
4. HALE, Heléne H.		er la secasa manada e e estas e		
5. NISHIMOTO, Scott Y.				
6. SONSON, Alex M.				
7. HALFORD, Chris				
TOTAL	7	0	0	0
TOTAL				
The recommendation is: Adopted Not Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:	-			
Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office				