
A BILL FOR AN ACT

RELATING TO TAXATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:
4 "§235- Food tax credit. (a) Each resident individual
5 taxpayer, who files an individual income tax return for a
6 taxable year, and who is not claimed or is not otherwise
7 eligible to be claimed as a dependent by another taxpayer for
8 federal or Hawaii state individual income tax purposes, may
9 claim a food tax credit of \$45 against the resident taxpayer's
10 individual income tax liability for the taxable year for which
11 the individual income tax return is being filed; provided that a
12 resident individual who has no income or no income taxable under
13 this chapter and who is not claimed or is not otherwise eligible
14 to be claimed as a dependent by a taxpayer for federal or Hawaii
15 state individual income tax purposes may claim this credit. The
16 food tax credit of \$45 shall be multiplied by the number of
17 qualified exemptions to which the taxpayer is entitled.



1 (b) For the purposes of this section, a "qualified
2 exemption" includes those exemptions permitted under this
3 chapter; provided that:

4 (1) A person for whom an exemption is claimed has
5 physically resided in the state for more than nine
6 months during the taxable year; and

7 (2) Multiple exemptions shall not be granted because of
8 age, deficiencies in vision or hearing, or other
9 disability.

10 For purposes of claiming the credit only, a minor child
11 receiving support from the department of human services of the
12 State, social security survivor's benefits, and the like, may be
13 considered a dependent and a qualified exemption of the parent
14 or guardian.

15 (c) The tax credit under this section shall not be
16 available to:

17 (1) Any person who has been convicted of a felony and who
18 has been committed to prison and has been physically
19 confined for the full taxable year; or

20 (2) Any person who would otherwise be eligible to be
21 claimed as a dependent but who has been committed to a



1 youth correctional facility and has resided at the
2 facility for the full taxable year.

3 (d) The tax credit claimed by a resident taxpayer pursuant
4 to this section shall be deductible from the resident taxpayer's
5 individual income tax liability, if any, for the tax year in
6 which it is properly claimed. If the tax credit claimed by a
7 resident taxpayer exceeds the amount of income tax payment due
8 from the resident taxpayer, the excess of the tax credit amount
9 over the payment amount due shall be refunded to the resident
10 taxpayer; provided that:

11 (1) A tax credit properly claimed by a resident individual
12 who has no income tax liability shall be paid to the
13 resident individual; and

14 (2) No refunds or payment on account of the tax credits
15 allowed by this section shall be made for less than
16 \$1.

17 (e) All claims for tax credits under this section,
18 including any amended claims, shall be filed on or before the
19 end of the twelfth month following the close of the taxable year
20 for which the tax credits may be claimed. Failure to comply
21 with the foregoing provision shall constitute a waiver of the
22 right to claim the credit."



1 SECTION 2. New statutory material is underscored.

2 SECTION 3. This Act, upon its approval, shall apply to
3 taxable years beginning after December 31, 2006.

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INTRODUCED BY: Fero Chong

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Michael J. Meyers
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JAN 23 2007



Report Title:

Food tax credit

Description:

Establishes a food tax credit of \$45 per exemption for qualified taxpayers to be claimed on their individual tax returns.

