
A BILL FOR AN ACT

RELATING TO TAX EXEMPTIONS.

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

1 SECTION 1. Section 235-54, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) In computing the taxable income of any individual,
4 there shall be deducted, in lieu of the personal exemptions
5 allowed by the Internal Revenue Code, personal exemptions
6 computed as follows: Ascertain the number of exemptions which
7 the individual can lawfully claim under the Internal Revenue
8 Code, add an additional exemption for the taxpayer or the
9 taxpayer's spouse who is sixty-five years of age or older within
10 the taxable year, and multiply that number by:

11 (1) \$1,040, for taxable years beginning after December 31,
12 1984[-], but before January 1, 2007;

13 (2) \$ _____, for the taxable year beginning after December
14 31, 2006, but before January 1, 2008;

15 (3) \$ _____, for the taxable year beginning after December
16 31, 2007, but before January 1, 2009; and

17 (4) \$ _____, for taxable years beginning after December 31,
18 2008.



1 A nonresident shall prorate the personal exemptions on account
2 of income from sources outside the State as provided in section
3 235-5. In the case of an individual with respect to whom an
4 exemption under this section is allowable to another taxpayer
5 for a taxable year beginning in the calendar year in which the
6 individual's taxable year begins, the personal exemption amount
7 applicable to such individual under this subsection for such
8 individual's taxable year shall be zero."

9 SECTION 2. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 3. This Act shall take effect upon its approval.



Report Title:

Personal Tax Exemption

Description:

Increases the personal tax exemption to an unspecified amount in 2007, 2008, and 2009 and thereafter. (HB502 HD1)

