
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- Emergency shelter tax credit. (a) There shall
5 be allowed to each taxpayer, subject to the tax imposed by this
6 chapter, an income tax credit to be applied to any taxpayer that
7 owns a building or structure and allows a portion of that
8 building or structure to be available for use as a public
9 emergency shelter; provided that multiple owners shall be
10 entitled to a single tax credit; and provided further that the
11 tax credit shall be apportioned between the owners in proportion
12 to their share of ownership in the building or structure.

13 (b) The income tax credit under this section shall be
14 calculated at a rate of \$ per square foot of the area of
15 the building or structure designated for use as a public
16 emergency shelter.

17 (c) To be eligible for the tax credit, the building or
18 structure shall meet the building design criteria for hurricane



1 resistance established pursuant to Act 5, Session Laws of Hawaii
2 2005, and shall be approved by the director of civil defense for
3 use as a public emergency shelter in each year that the tax
4 credit is claimed.

5 (d) The tax credit claimed under this section shall be
6 deductible from the taxpayer's individual or corporate income
7 tax liability, if any, for the tax year in which the tax credit
8 is properly claimed. A tax credit under this section that
9 exceeds the taxpayer's income liability may be used as a credit
10 against the taxpayer's income tax liability in subsequent years
11 until exhausted.

12 (e) Every claim for a tax credit under this section,
13 including any amended claims, shall be filed on or before the
14 end of the twelfth month following the close of the taxable year
15 for which the credit may be claimed. Failure to comply with the
16 foregoing provision shall constitute a waiver of the right to
17 claim the tax credit.

18 (f) The director of taxation:

19 (1) Shall prepare the forms as may be necessary to claim a
20 tax credit under this section;

21 (2) May require proof of the claim for the tax credit; and



1 (3) May adopt rules pursuant to chapter 91 to effectuate
2 the purposes of this section."

3 SECTION 2. New statutory material is underscored.

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

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INTRODUCED BY: Kirk Caldwell

Paula
J. D. De
Paula
Maui Blue
Guy
J. H. Karam
Mele Carroll
J. H. Karam
Calvin H. Boy
 JAN 19 2007



Report Title:

Emergency Shelters; Tax Credit

Description:

Allows a tax credit for property owners that agree to allow their buildings to be used as emergency shelters and whose buildings meet the design criteria for emergency shelters under Act 5, Special Session Laws of Hawaii 2005.

