
A BILL FOR AN ACT

RELATING TO LOSS MITIGATION.

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- Wind resistive devices tax credit. (a) There
5 shall be allowed to each taxpayer subject to the taxes imposed
6 by this chapter, an income tax credit which shall be deductible
7 from the taxpayer's net income tax liability imposed by this
8 chapter for the taxable year in which the credit is properly
9 claimed.

10 The amount of the credit shall be thirty-five per cent of
11 the costs incurred during the taxable year for purchasing and
12 installing wind resistive devices in a non-condominium
13 residential dwelling owned by the taxpayer and located in the
14 State.

15 The tax credit may be claimed only for wind resistive
16 devices that are described by the director of taxation in the
17 technical specifications issued by the director of taxation for



1 the program. These technical specifications shall not be
2 subject to chapter 91. The director of taxation may exclude
3 from the tax credit, wind resistive devices that were installed
4 due to a requirement of a building code.

5 (b) If the tax credit under this section exceeds the
6 taxpayer's income tax liability, the excess of credit over
7 liability may be used as a credit against the taxpayer's income
8 tax liability in subsequent years until exhausted. All claims,
9 including amended claims, for a tax credit under this section
10 shall be filed on or before the end of the twelfth month
11 following the close of the taxable year for which the credit may
12 be claimed. Failure to comply with the foregoing provision
13 shall constitute a waiver of the right to claim the credit.

14 (c) The director may require the taxpayer to furnish
15 information to ascertain the validity of the claim for credit
16 made under this section.

17 (d) The director of taxation may require that applications
18 from taxpayers to qualify wind resistive devices for the tax
19 credit be first reviewed and approved by insurance commissioner;
20 provided that in reviewing the application, the insurance
21 commissioner shall be allowed to rely on a representation from
22 an inspector or licensed contractor that the director of



1 taxation's technical specifications have been met; provided
2 further that the insurance commissioner shall not be required to
3 conduct an on-site or physical inspection of the wind resistive
4 devices as part of the review.

5 (e) As used in this section, "wind resistive devices" means
6 devices that increase a building's or structure's resistance to
7 damage from wind forces and shall include the following:

8 (1) Uplift restraint ties at roof ridges and roof framing
9 members to wall or beam supports;

10 (2) Additional fastening of roof sheathing and roof
11 decking for high wind uplift;

12 (3) Impact and pressure resistant exterior opening
13 protective devices;

14 (4) Wall to foundation uplift restraint connections to
15 strengthen wood foundation posts on footings; and

16 (5) A residential safe room.

17 The description, specifications, guidelines, and
18 requirements for these wind resistive devices shall be further
19 developed and determined by the director in the director's sole
20 discretion. The director, in the director's sole discretion,
21 may amend, narrow, or expand the definitions, description,
22 specifications, and requirements of the wind resistive devices."



1 SECTION 2. There is appropriated out of the loss
2 mitigation grant fund the sum of \$500,000, or so much thereof as
3 may be necessary for fiscal year 2008-2009. The wind resistive
4 devices tax credit will be available for taxable years beginning
5 after December 31, 2008, and funding is needed to enable the
6 loss mitigation grant program to continue until the tax credit
7 becomes available.

8 The sum appropriated shall be expended by the department of
9 commerce and consumer affairs for the purposes of this Act.

10 SECTION 3. New statutory material is underscored.

11 SECTION 4. This Act shall take effect on July 1, 2008;
12 provided that section 1 shall apply to taxable years beginning
13 after December 31, 2008.



Report Title:

Wind Resistive Devices Tax Credit

Description:

Establishes a wind resistive devices tax credit for the purchase and installation of wind resistive devices in a non-condominium residential dwelling. Appropriates funds out of the loss mitigation grant fund to enable the loss mitigation grant program to continue until the tax credit becomes available.
(SD1)

