STAND. COM. REP. NO. 657

Honolulu, Hawaii

Fe-716, 2007

RE: H.B. No. 232 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

## Sir:

Your Committee on Health, to which was referred H.B. No. 232 entitled:

"A BILL FOR AN ACT RELATING TO QUALIFYING MEDICAL INFORMATION TECHNOLOGY,"

begs leave to report as follows:

The purpose of this bill is to encourage the use of medical information technology by physicians to increase the efficiency of the delivery services and lower administrative costs by providing, in the form of an income tax credit, a limited rebate of the general excise tax on physician services to those physicians who invest in this technology.

The Department of Taxation opposed this bill.

Your Committee has amended this bill by:

- Clarifying that this is a nonrefundable tax credit;
- (2) Allowing the credit to be carried forward against future tax liability until exhausted;
- (3) Clarifying that the credit is allowed for the general excise tax imposed on expenditures up to \$20,000; and
- (4) Applying the credit to qualifying costs incurred on or after January 1, 2008.

HB232 HD1 HSCR HLT HMS 2007-2075



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. 232, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 232, H.D. 1, and be referred to the Committee on Finance.

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

JOSHUA B. GREEN, M.D., Chair



## State of Hawaii House of Representatives The Twenty-fourth Legislature

## **Record of Votes of the Committee on Health**

Bill/Resolution No.: HB 232	Date:	2-09-	07	
Committee Referral: HLT, FIN	☐ The committee is reconsidering its previous decision on the measure.			
The recommendation is to:	Pass, with amendments			
☐ Hold	Pass, with amendments, for recommittal for further consideration			
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. GREEN, Josh, M.D. (C)		·		
2. MIZUNO, John (VC)				
3. BELATTI, Della Au	•	V		
4. BERTRAM, Joe, III	- V			
5. CABANILLA, Rida T.R.				
6. RHOADS, Karl		V		
7. SHIMABUKURO, Maile S. L.			e de la companya de	V
8. TAKAI, K. Mark				
9. TOKIOKA, James Kunane				14174 144
10. AWANA, Karen Leinani				
11. WARD, Gene, Ph.D.				
TOTAL	7	2		2
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				