STAND. COM. REP. NO. 3514

Honolulu, Hawaii

APR 1 0 2008

RE: S.C.R. No. 162

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

## Madam:

Your Committee on Ways and Means, to which was referred S.C.R. No. 162, S.D. 1, entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF TAXATION TO REPORT THE FISCAL IMPACT AND RATE OF USAGE BY TAXPAYERS OF VARIOUS TAX CREDITS AND EXEMPTIONS UNDER CHAPTERS 235, 237, 239, AND 244D, HAWAII REVISED STATUTES,"

begs leave to report as follows:

The purpose of this measure is to request the Department of Taxation to report to the Legislature on the fiscal impact and rate of usage of various state tax credits and exemptions.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association.

The Department of Taxation and the Hawaii Science and Technology Council submitted comments.

Your Committee finds that assessing the effectiveness and efficiency of tax credits and exemptions is necessary to understand the fiscal impact and rate of usage of these tax preferences. The Department of Taxation, however, has not submitted any, or at least an updated report of the fiscal impact and rate of usage of certain tax credits and exemptions under chapters 235, 237, 239, and 244D, Hawaii Revised Statutes. Your Committee finds that the Legislature would benefit greatly from an updated report by the Department of Taxation.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 162, S.D. 1, and recommends its adoption.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ROSALYN H. BAKER, Chair

## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*  SCRIU2,SDI			1	Date: 4 4 4 0 %		
The committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313						
Members		Aye	Aye (WR)	Nay	Excused	
BAKER, Rosalyn H. (C)				:		
TSUTSUI, Shan S. (VC)						
CHUN OAKLAND, Suzanne						
ENGLISH, J. Kalani						
FUKUNAGA, Carol						
HOOSER, Gary L.						
INOUYE, Lorraine R.			<u> </u>			
KIM, Donna Mercado						
MENOR, Ron						
TOKUDA, JIII N.						
HEMMINGS, Fred	14. sayon 24. said 14. said 1				**************************************	
WHALEN, Paul						
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TOTAL		10	0	O	2_	
Recommendation:  Adopted Not Adopted						
Chair's or Designee's Signature:						
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy						

<sup>\*</sup>Only one measure per Record of Votes