

STAND. COM. REP. NO.

953

Honolulu, Hawaii

March 2, 2007

RE: H.B. No. 1799
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 Finance, to which was referred H.B. No. 1799 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to provide tax relief through an earned income tax credit equal to 20 percent of the federal earned income credit.

The Hawaii Alliance for Community-Based Economic Development, Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO, ILWU Local 142, National Association of Social Workers, Welfare and Employment Rights Coalition, Hawaii Homeownership Center, 3Point, and several concerned individuals testified in support of this bill. The Department of Taxation supported the intent of this measure. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this bill by:

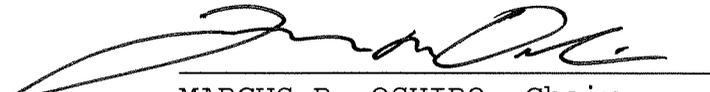
- (1) Leaving blank the percentage of the federal earned income credit upon which the state credit is based; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

HB1799 HD1 HSCR FIN HMS 2007-2812



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1799, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1799, H.D. 1, and be placed on the calendar for Third Reading.

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



MARCUS R. OSHIRO, Chair



