STAND. COM. REP. NO.

707

Honolulu, Hawaii

MAR 0 1 2007

RE: S.B. No. 1497

S.D. 2

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

## Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1497, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE,"

begs leave to report as follows:

The purpose of this measure is to bring Hawaii tax law into compliance with changes to the Internal Revenue Code, by amending section 235-2.3(a), Hawaii Revised Statutes, relating to conformance with the Internal Revenue Code, to replace the date December 31, 2005, with December 31, 2006.

Written comments in support of this measure were submitted by the Department of Taxation. Written comments on this measure were submitted by the Tax Foundation of Hawaii.

Your Committee finds that five federal laws enacted in 2006 would affect Hawaii tax law. Updating Hawaii's tax conformance law will diminish discrepancies with regard to the application of the new federal laws as they relate to Hawaii's tax laws.

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 is in accord with the intent and purpose of S.B. No. 1497, S.D. 2, and recommends that it pass Third Reading.

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

ROSALYN H. $oldsymbol{0}$ BAKER, Chair

## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		Date:		
SB 1497 SDZ	EDT, L	JAM		2.23.6	97
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.					
KIM, Donna Mercado					
MENOR, Ron					
TOKUDA, Jill N.					
HEMMINGS, Fred					
WHALEN, Paul					
TOTAL		10	0	0	
Recommendation:  Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

\*Only one measure per Record of Votes