STAND. COM. REP. NO. 750

Honolulu, Hawaii

Monh 6, 2009

RE: H.B. No. 1544

H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1544 entitled:

"A BILL FOR AN ACT RELATING TO TAX EXEMPTIONS,"

begs leave to report as follows:

The purpose of this bill is to ensure fairness in the payment of taxes by conforming state tax exemptions to personal exemption phase-out limitation thresholds, reduced by 25 percent, contained in the Internal Revenue Code of 1986, as amended.

The Department of Taxation and Hawaii Tax Foundation provided comments on this bill.

Your Committee has amended this bill by:

- (1) Providing that the threshold amounts contained in section 151(d)(3) of the Internal Revenue Code of 1986, as amended, that are used to determine the Hawaii phase-out amounts, shall be maintained at the amounts in place on July 1, 2008; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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.

HB1544 HD1 HSCR FIN HMS 2009-2700

1544, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1544, 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



State of Hawaii House of Representatives The Twenty-fifth Legislature

Record of Votes of the Committee on Finance

Bill/Resolution No.: 1+B 1544	Committee Referral:	Date	Parch 2	,2009
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)				
2. LEE, Marilyn B. (VC)				
3. AQUINO, Henry J.C.	$ $ ν			
4. AWANA, Karen Leinani	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\			
5. BROWER, Tom				1955 P. S.
6. CHOY, Isaac W.	/			
7. COFFMAN, Denny	V			
8. HAR, Sharon E.	<i>ν</i>			
9. KEITH-AGARAN, Gilbert S.C.	V			
10. LEE, Chris	V			
11. NISHIMOTO, Scott Y.	V			
12. SAGUM, Roland D., III	V			
13. TOKIOKA, James Kunane	V			
14. WOOLEY, Jessica				
15. YAMASHITA, Kyle T.				
16. PINE, Kymberly Marcos				8
17. WARD, Gene				
TOTAL (17)	16	\bigcirc	\bigcirc	1
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: Marily 3. Lev				
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