STAND. COM. REP. NO. 751

Honolulu, Hawaii

, 2009 March 6

H.B. No. 1598 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. 1598 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to provide fairness to lessees who make capital improvements to leased property when the lease is terminated by imposing a tax on lessors for the value of these improvements upon termination of a lease.

Alexander & Baldwin, Inc., testified in opposition to this bill. The Department of Taxation, Tax Foundation of Hawaii, and Hawaii Association of REALTORS® submitted comments.

Your Committee has amended this bill by 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. 1598, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1598, H.D. 1, and be placed on the calendar for Third Reading.

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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.: HB 1598	Committee Referral: FIN	Date	Feb 20	6,2009
☐ 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)	V			
2. LEE, Marilyn B. (VC)	· ·			
3. AQUINO, Henry J.C.	L			
4. AWANA, Karen Leinani	<i>✓</i>			
5. BROWER, Tom	W			
6. CHOY, Isaac W.				
7. COFFMAN, Denny			in part of the second	
8. HAR, Sharon E.			and the second s	
9. KEITH-AGARAN, Gilbert S.C.				
10. LEE, Chris			What wide and a service servic	
11. NISHIMOTO, Scott Y.				
12. SAGUM, Roland D., III				
13. TOKIOKA, James Kunane				
14. WOOLEY, Jessica				
15. YAMASHITA, Kyle T.		To the state of th		
16. PINE, Kymberly Marcos				
17. WARD, Gene		I V		
				2003 (2007 F 3) - x 14 - x 1440 (100)
TOTAL (17)	13	3	0	1
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: Marily 3. Lee				
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