Honolulu, Hawaii

Fe 526, 2010

RE: H.B. No. 2866 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2010 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2866 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to work to address the fiscal crisis facing Hawaii by adjusting income tax rates for taxable years beginning after December 31, 2009, and ending before January 1, 2016.

The Policy Advisory Board for Elder Affairs; United Public Workers, AFSCME, Local 646, AFL-CIO; and Hawaii Government Employees Association testified in support of this bill. The Department of Taxation opposed this measure. Tax Foundation of Hawaii provided comments.

Upon further consideration, your Committee has amended this bill by deleting its contents and replacing it with language that provides the State with the ability to capture the state death tax credit as it existed in the Internal Revenue Code on December 31, 2009.

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. 2866, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2866, 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.: HB 2866	Committee Referral:	Date:	2/23/1	0
☐ 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)	<u></u>			
3. AQUINO, Henry J.C.	-			
4. AWANA, Karen Leinani	_			
5. BROWER, Tom				
6. CHOY, Isaac W.	U			
7. COFFMAN, Denny				
8. HAR, Sharon E.	~			
9. KEITH-AGARAN, Gilbert S.C.	-			
10. LEE, Chris				
11. NISHIMOTO, Scott Y.	L			
12. SAGUM, Roland D., III				
13. TOKIOKA, James Kunane	<u></u>			
14. WOOLEY, Jessica	L			
15. YAMASHITA, Kyle T.				
16. FINNEGAN, Lynn				
17. WARD, Gene				/
		1		
TOTAL (17)	15		0	_1
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature: Marily B. Lee				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				