STAND. COM. REP. NO.

979

Honolulu, Hawaii
MAR 27 7009

RE: H.B. No. 333

H.D. 2 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Madam:

Your Committee on Human Services, to which was referred H.B. No. 333, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Allow certain Hawaii residents to claim a refundable earned income tax credit equal to a certain percentage of the federal earned income tax credit;
- (2) Limit the interest charged on any tax preparation service provided for clients who are recipients of the state earned income tax credit; and
- (3) Appropriate monies from the Temporary Assistance for Needy Families fund and the general fund to finance the earned income tax credit and public service announcements to educate taxpayers about the tax credit.

Testimony in support of this measure was provided by the Hawaii Alliance for Community-Based Economic Development and one individual. Testimony in opposition to this measure was provided by the Department of Taxation, H & R Block, and Tax Foundation of Hawaii. The Department of Human Services provided comments on this measure. Written testimony presented to the Committee may be reviewed on the Legislature's website.

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Your Committee finds that an earned income tax credit offers needed relief to Hawaii's low and middle income families and keeps money circulating within the local economy.

Your Committee has amended this measure by making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 333, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 333, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Human Services,

Syrame Chun Caleland Suzanne Chun Oakland, Chair

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Human Services HMS

Bill / Resolution No.:* Committee Referral: Date:				
HB 333 HDZ HMS,	WAM	ق ا	3/20/09	· ·
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
CHUN OAKLAND, Suzanne (C)				
IHARA, Jr., Les (VC)	V			
GREEN, M.D., Josh				
HEMMINGS, Fred				
			TOTAL TOTAL STATE OF THE STATE	
TOTAL	3	0	0	/
Recommendation: Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				