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THEODORE E. LIU
DIRECTOR
MARK K. ANDERSON

Bill No. 1446

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Statement of THEODORE E. LIU Director

Department of Business, Economic Development, and Tourism before the

HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Tuesday, February 17, 2009 9:00 a.m. State Capitol, Conference Room 325

in consideration of HB1446
RELATING TO ENERGY EFFICIENCY.

Chair Morita, Chair Ito, Vice Chair Coffman, Vice Chair Har, and members of the committees.

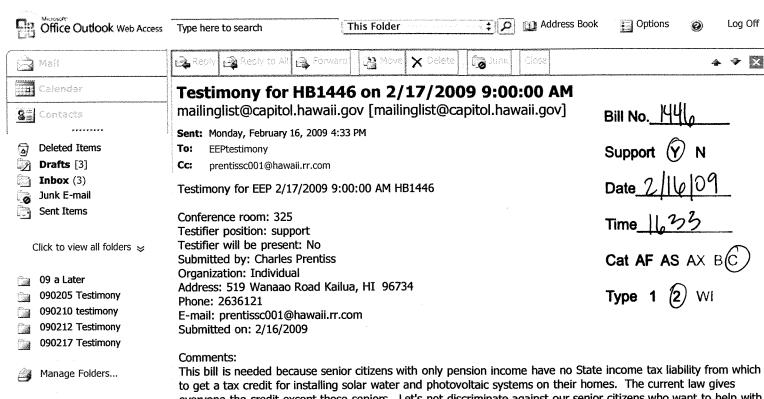
The Department of Business, Economic Development, and Tourism (DBEDT) supports the intent of HB1446, which entitles taxpayers over the age of 60 to a refundable tax credit, provided the amount is at least \$1. We prefer, however, the provisions in HB1053, an Administration measure. The proposal in HB1053 would allow refundable tax credits based on adjusted gross income or by election of the taxpayer to use either the tax credit or take a refundable credit. The

provisions are as follows:

- An individual taxpayer may elect to have any excess of the credit over payments due refunded to the taxpayer, if the taxpayer's adjusted gross income is \$20,000 or less (or \$40,000 or less if filing a tax return as married filing jointly).
- An individual taxpayer who does not meet the adjusted gross income requirements noted above may elect to take a refundable tax credit. The refundable tax credit would reduce the eligible credit amount by thirty percent.

We believe that the provisions above address the need for refundable tax credits and provide taxpayers with a choice while recognizing the need for those on fixed incomes or with lower incomes. The provisions above have been coordinated with the Department of Taxation, and we strongly recommend that these provisions be adopted.

Thank you for the opportunity to provide this testimony.



everyone the credit except these seniors. Let's not discriminate against our senior citizens who want to help with our energy problem.

This will not be a costly bill because the numbers of claimants will be small. Also, when compared with the fact that you now allow a single business up to \$500,000 credit for installing a system, the annual cost will likely be less than you give to only one business.

You may also wish to consider reducing the business credit to \$495,000 which will likely make up for any extra cost for the senior credit, but not really reduce the incentive for businesses.

Please pass this bill.

Thank You, Charles Prentiss, Kailua

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