STAND. COM. REP. NO. 665

Honolulu, Hawaii

March 4, 2011

RE: H.B. No. 794 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

## Sir

Your Committee on Finance, to which was referred H.B. No. 794 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to amend the State Income Tax Law by:

- (1) Placing a temporary cap on the amount of itemized deductions that may be claimed by a taxpayer; and
- (2) Suspending the refunding feature of the capital goods excise tax credit for eligible depreciable tangible personal property placed in service after December 31, 2010, but before January 1, 2015.

The Department of Taxation supported this bill. A concerned individual opposed this measure. The Tax Foundation of Hawaii provided comments.

Your Committee has amended this bill by:

(1) Removing provisions that suspend the refunding feature of the capital goods excise tax credit for eligible depreciable tangible personal property placed in service after December 31, 2010, but before January 1, 2015; and

HB794 HD1 HSCR FIN HMS 2011-2576

(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. 794, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 794, 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-sixth Legislature

## HSCR 665

## **Record of Votes of the Committee on Finance**

HB 794	Committee Referral: FIN	Date:	2/2/4	///
☐ 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)	V			
3. CHONG, Pono				
4. CHOY, Isaac W.				
5. COFFMAN, Denny	<u></u>			
6. CULLEN, Ty	· ·			
7. HAR, Sharon E.				
8. HASHEM, Mark J.				
9. ICHIYAMA, Linda	<i>i</i>			
10. JORDAN, Jo				
11. LEE, Chris				
12. MORIKAWA, Dee	V			
13. TOKIOKA, James Kunane				<i>i</i>
14. YAMASHITA, Kyle T.	V			-
15. MARUMOTO, Barbara C.		V	****	
16. RIVIERE, Gil		1		
17. WARD, Gene				
,			•	
· <del>· · · · · · · · · · · · · · · · · · </del>	-		<u> </u>	<u> </u>
			****	
			,	
TOTAL (17)	12	2	1	2
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature: Mail 3. Lee				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				