

STAND. COM. REP. NO. 3296

Honolulu, Hawaii

APR 05 2012

RE: H.B. No. 101
H.D. 2
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 101, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose and intent of this measure is to support interisland air travel.

More specifically, the measure establishes an aviation fuel tax credit for aviation fuel taxes passed on by distributors to interisland airplane carriers that transport people and goods between the islands of this State.

Your Committee finds that this measure will help stabilize air fares imposed by interisland airplane carriers by reducing their overall fuel costs. The measure grants a tax credit to interisland airplane carriers for amounts paid by interisland airplane carriers that represent fuel taxes imposed on distributors but passed on to the interisland airplane carriers. Further, the tax credit is applied against an interisland airplane carrier's income tax liability, which is governed by chapter 235, Hawaii Revised Statutes. However, your Committee notes that, as currently drafted, this measure establishes the tax credit in chapter 243, Hawaii Revised Statutes, relating to fuel tax law, rather than in Chapter 235, Hawaii Revised Statutes, relating to income tax law.

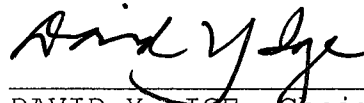


Your Committee has amended this measure by:

- (1) Placing the tax credit in chapter 235, Hawaii Revised Statutes;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 101, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 101, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB101 HD2 SD1	Committee Referral: TIA, WAM	Date: 3-29-12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado	✓			
KAHELE, Gilbert	✓			
KOUCHI, Ronald D.				✓
RYAN, Pohai	✓			
TOKUDA, Jill N.	✓			
WAKAI, Glenn	✓			
SLOM, Sam	✓			
TOTAL	13	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<div style="display: flex; justify-content: space-between; font-size: small;"> Distribution: Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div>				

***Only one measure per Record of Votes**