STAND. COM. REP. NO.

35

Honolulu, Hawaii February 12, 2013

RE: H.B. No. 1074 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 1074 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to encourage the public to participate in historic preservation by providing a refundable income tax credit for expenditures made to rehabilitate or preserve a historic structure.

One individual submitted testimony in support of this measure. The Department of the Attorney General, Department of Taxation, Department of Land and Natural Resources, and Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- Deleting the requirement that a taxpayer be a resident in order to claim the credit;
- (2) Clarifying that individuals who are party to a reciprocal beneficiary relationship or a civil union may claim the tax credit in the same manner as a husband and wife, to the extent that they are eligible to file a joint tax return;



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(3) Clarifying that the tax credit may be claimed for expenditures to rehabilitate or preserve an archaeological or cultural, as well as historic, site;

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- (4) Clarifying the operation of the tax credit's recapture provisions; and
- (5) Making nonsubstantive technical amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1074, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1074, H.D. 1, and be referred to the Committee on Finance.

> Respectfully submitted on behalf of the members of the Committee on Water & Land,

indy Evans



State of Hawaii House of Representatives The Twenty-seventh Legislature

HSLR305

Record of Votes of the Committee on Water & Land

Bill/Resolution No.:	ee Referral: WAL,	FIN Date:	28	13
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Image: Pass, unamended (as is) Image: Pass, with amendments (HD) Image: Hold Image: Pass short form bill with HD to recommit for future public hearing (recommit)				
WAL Members	Ayes	Ayes (WR)	Nays	Excused
1. EVANS, Cindy (C)				
2. LOWEN, Nicole E. (VC)				
3. COFFMAN, Denny				
4. CULLEN, Ty J.K.	\sim			
5. HANOHANO, Faye P.				
6. KAWAKAMI, Derek S.K.	V			
7. LEE, Chris				
8. FALE, Richard Lee				
9. THIELEN, Cynthia				
		-		
TOTAL (9)	9			
The recommendation is: Image: Adopted image: Adopt				
Vice Chair's or designee's signature: Mill E				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				