STAND. COM. REP. NO. 175

Honolulu, Hawaii , 2013

RE: H.B. No. 1074

H.D. 2

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 1074, H.D. 1, 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.

The Department of Land and Natural Resources, Historic Hawaii Foundation, and an individual provided testimony in support of this measure. The Department of the Attorney General, the Department of Taxation, and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

(1) Deleting a superfluous provision stating 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. Act 1, Session Laws of Hawaii 2011, already allows civil union couples to be treated as married for purposes of state tax law;

- (2) Clarifying that the Department of Taxation report to the legislature annually, no later than September 1 of each year, on the number of taxpayers claiming the historic preservation tax credit and the total cost of the historic preservation tax credit to the State during the past year; and
- (3) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion.

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. 1074, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1074, H.D. 2.

Respectfully submitted on behalf of the members of the Committee on Finance,



State of Hawaii House of Representatives The Twenty-seventh Legislature

45CR 775

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB1074 HD1	Committee Referral: WAL, FIN		Date: 02/20/13	
☐ 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. LUKE, Sylvia (C)				
2. NISHIMOTO, Scott Y. (VC)				
3. JOHANSON, Aaron Ling (VC)			1.300	
4. CULLEN, Ty J.K.				
5. HASHEM, Mark J.				
6. ING, Kaniela				
7. JORDAN, Jo				477
8. KOBAYASHI, Bertrand				A
9. LOWEN, Nicole E.				
10. MORIKAWA, Dee				
11. ONISHI, Richard H.K.			-	
12. TAKAYAMA, Gregg				
13. TOKIOKA, James Kunane				
14. WOODSON, Justin H.				
15. YAMASHITA, Kyle T.				
16. FUKUMOTO, Beth				
17. WARD, Gene				
	-		_	
TOTAL (17)	17			:
The recommendation is: Adopted Not Adopted				
If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				