A BILL FOR AN ACT

RELATING TO ESTATE AND GENERATION-SKIPPING TRANSFER TAX LAW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

| 1 | SECTION 1: The purpose of this Act is to conform Hawaii |
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| 2 | estate and generation-skipping transfer tax law to the Internal |
| 3 | Revenue Code amendments made by Public Law 112-240, also known |
| 4 | as the American Taxpayer Relief Act of 2012. |
| 5 | SECTION 2. Chapter 236E, Hawaii Revised Statutes, is |
| 6 | amended to effectuate the purpose of this Act. |
| 7 | SECTION 3. This Act shall take effect upon its approval. |
| 8 | Charles |
| 9 | INTRODUCED BY: |
| 10 | BY REQUEST |

JAN 2 2 2013

<u>H</u>.B. NO. 913

Report Title:

Estate and Generation-Skipping Transfer Tax; Conformity to Certain Internal Revenue Code Provisions; Public Law 112-240

Description:

Provides a vehicle for conforming amendments to the Hawaii estate and generation-skipping transfer tax law based upon amendments to the Internal Revenue Code made by Public Law 112-240.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

HB913

JUSTIFICATION SHEET

DEPARTMENT: Taxation

TITLE: A BILL FOR AN ACT RELATING TO ESTATE AND

GENERATION-SKIPPING TRANSFER TAX LAW.

PURPOSE: To amend Hawaii's estate and generation-

skipping transfer tax law to conform with changes to the Internal Revenue Code made by

Public Law 112-240.

MEANS: Amend Chapter 236E, Hawaii Revised Statutes

(HRS), by adding a new section.

JUSTIFICATION: Public Law 112-240 was signed by the

President of the United States and enacted on January 2, 2013. These amendments cannot be conformed to under sections 236E-3 and 236E-4, HRS, because those sections refer to the Internal Revenue Code as it exists on

December 31 of the previous year.

Impact on the public: Conformity through amendments to the operative provisions of the Internal Revenue Code will minimize the

burden on taxpayers to comply with the requirements of Hawaii's estate and generation-skipping transfer tax law.

Impact on the department and other agencies: Conforming Hawaii's estate and generationskipping transfer tax law to that of the

Internal Revenue Code will increase

consistency between the state and federal

jurisdictions.

GENERAL FUND: Pending.

OTHER FUNDS: None.

PPBS PROGRAM

DESIGNATION: None.

OTHER AFFECTED

AGENCIES: None.



EFFECTIVE DATE: Upon approval.