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## A BILL FOR AN ACT

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RELATING TO INCOME TAX CREDITS.

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

1       SECTION 1. Chapter 235, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4       "§235-       Income tax credit for portable generators. (a)

5       As used in this section:

6       (1) "Adjusted gross income" has the same meaning as  
7       defined by section 235-1.

8       (2) "Qualified exemption" includes those exemptions  
9       permitted under this chapter; provided that a person  
10       for whom exemption is claimed has physically resided  
11       in the State for more than nine months during the  
12       taxable year; and provided that multiple exemption  
13       shall not be granted because of deficiencies in  
14       vision, hearing, or other disability.

15       (b) Each resident taxpayer who:

16       (1) Purchases a portable generator for use on real  
17       property within the State as the resident taxpayer's



1 residence or the residence of the resident taxpayer's  
2 immediate family that is not partially or wholly  
3 exempted from real property tax;

4 (2) Is not eligible to be claimed as a dependent for  
5 federal or state income taxes by another; and

6 (3) Files an individual net income tax return for a  
7 taxable year,

8 may claim a tax credit under this section against the resident  
9 taxpayer's Hawaii state individual net income tax.

10 (c) Each taxpayer who has paid purchased a portable  
11 generator for use on real property as described under subsection  
12 (b) during the taxable year for which the credit is claimed may  
13 claim a tax credit of \$300 multiplied by the number of qualified  
14 exemptions to which the taxpayer is entitled; provided that:

15 (1) The taxpayer, if filing individually, has an adjusted  
16 gross income of not more than \$65,000; or

17 (2) The taxpayer, if filing jointly, has an adjusted gross  
18 income of not more than \$130,000 and is the head of a  
19 household of not less than four members.

20 (d) The tax credits shall be deductible from the  
21 taxpayer's individual net income tax for the tax year in which



1 the credits are properly claimed; provided that a husband and  
2 wife filing separate returns for a taxable year for which a  
3 joint return could have been made shall claim only the tax  
4 credits to which they would have been entitled had a joint  
5 return been filed. If the tax credit claimed under this section  
6 exceeds the amount of the income tax payments due from the  
7 taxpayer, the excess of credit over payments due shall be  
8 refunded to the taxpayer; provided that any tax credits properly  
9 claimed under this section by an individual who has no income  
10 tax liability shall be refunded to the individual; and provided  
11 further that no refunds or payments on account of the tax credit  
12 allowed under this section shall be made for amounts less than  
13 \$1.

14 (e) The director of taxation shall prepare and prescribe  
15 the appropriate form or forms to be used herein, may require  
16 proof of the claim for tax credits, and may adopt rules pursuant  
17 to chapter 91.

18 (f) All of the provisions relating to assessments and  
19 refunds under this chapter and under section 231-23(c)(1) shall  
20 apply to the tax credit established in this section.

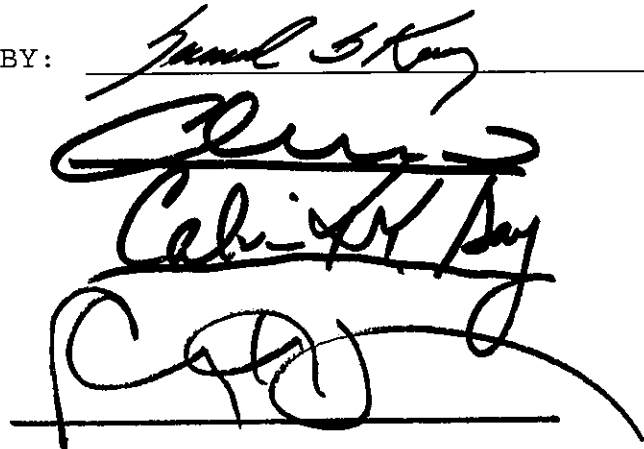


1        (g) Claims for a tax credit under this section, including  
2        any amended claims thereof, shall be filed on or before the end  
3        of the twelfth month following the taxable year for which the  
4        credit may be claimed. Failure to comply with the foregoing  
5        provision shall constitute a waiver of the right to claim the  
6        credit."

7        SECTION 2. New statutory material is underscored.

8        SECTION 3. This Act, upon its approval, shall apply to  
9        taxable years beginning after December 31, 2015.

10       INTRODUCED BY:



JAN 21 2016



# H.B. NO. 1690

**Report Title:**

Income Tax; Tax Credit; Portable Generator

**Description:**

Establishes an income tax credit for the purchase of portable generators.

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

