

JAN 23 2015

A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Act 97, Session Laws of Hawaii 2011, as amended
2 by Act 256, Session Laws of Hawaii 2013, is amended by amending
3 section 3 to read as follows:

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

7 "**§235- Itemized deductions; limitations.**

8 Notwithstanding any other law to the contrary, itemized tax
9 deductions claimed pursuant to this chapter shall not exceed the
10 lesser of:

11 (1) The limitation on itemized deductions under section 68
12 of the Internal Revenue Code; or

13 (2) Any of the following that may be applicable:

14 (A) \$25,000 for a taxpayer filing a single return or
15 a married person filing separately with a federal
16 adjusted gross income of \$100,000 or more;



1 (B) \$37,500 for a taxpayer filing as a head of
2 household with a federal adjusted gross income of
3 \$150,000 or more; and

4 (C) \$50,000 for a taxpayer filing a joint return or
5 as a surviving spouse with a federal adjusted
6 gross income of \$200,000 or more;

7 provided that the ~~[cap amounts established in]~~
8 limitation on itemized deductions under this paragraph
9 shall not apply to charitable contributions
10 ~~[deductible]~~ made during the taxable year that are an
11 allowable deduction under this chapter~~[-]~~ or to
12 wagering losses incurred during the taxable year that
13 are an allowable deduction under section 165 of the
14 Internal Revenue Code. " "

15 SECTION 2. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.



1 SECTION 3. This Act shall take effect on July 1, 2015, and
2 shall apply to taxable years beginning after December 31, 2014.

3

INTRODUCED BY: Inzanne Chun Galarza



Report Title:

Taxation; Itemized Deductions; Limitations; Wagering Losses

Description:

Allows wagering losses allowable as an itemized deduction under section 165 of the Internal Revenue Code to not be subject to the state limitation on itemized deductions.

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