

MAR 11 2016

SENATE CONCURRENT RESOLUTION

REQUESTING THE TAX REVIEW COMMISSION TO UPDATE THE STUDY OF THE
DISTRIBUTION OF STATE AND LOCAL TAX BURDEN BY INCOME CLASS.

1 WHEREAS, it is anticipated that a Tax Review Commission
2 will be convened pursuant to article VII, section 3, of the
3 State Constitution; and
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5 WHEREAS, the basic duties of the Commission are to evaluate
6 the State's tax structure and recommend revenue and tax policy;
7 and
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9 WHEREAS, an issue that requires evaluation by the Tax
10 Review Commission is the distribution of state and local tax
11 burden by income class; and
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13 WHEREAS, Professors Walter Miklius, James Moncur, and
14 PingSun Leung published the study "Distribution of State and
15 Local Tax Burden by Income Class" in 1989 for the Tax Review
16 Commission; and
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18 WHEREAS, the Miklius, et al., study is a seminal work on
19 the incidence of the various state and county taxes and extent
20 of progressivity or regressivity of the taxes; and
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22 WHEREAS, data from the Miklius, et al., study continues to
23 be cited in contemporary times, particularly the findings that
24 approximately thirty per cent of the general excise tax revenues
25 is exported to tourists and others and that the general excise
26 tax is regressive; and
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28 WHEREAS, the Miklius, et al., study is more than twenty-
29 five years old; and
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31 WHEREAS, more recent data of quality and relevance are
32 needed for the Legislature and state administration to make the
33 best decisions on revenue and tax policy; now, therefore,



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2 BE IT RESOLVED by the Senate of the Twenty-eighth
3 Legislature of the State of Hawaii, Regular Session of 2016, the
4 House of Representatives concurring, that the Tax Review
5 Commission is requested to conduct or commission a study
6 updating the distribution of state and local tax burden by
7 income class; and

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9 BE IT FURTHER RESOLVED that the Tax Review Commission is
10 requested to require the study to correspond as much as possible
11 to the methodology of the 1989 study by Miklius, et al.,
12 "Distribution of State and Local Tax Burden by Income Class," to
13 enable a comparison of the findings of both studies; and

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15 BE IT FURTHER RESOLVED that the Tax Review Commission is
16 requested to submit the study to the Legislature and Governor
17 with the Commission's Final Report under article VII, section 3,
18 of the State Constitution; and

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20 BE IT FURTHER RESOLVED that a certified copy of this
21 Concurrent Resolution be transmitted to the Chairperson of the
22 Tax Review Commission.
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OFFERED BY:

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