STAND. COM. REP. NO. 784

Honolulu, Hawaii

March 6

, 2015

RE: H.B. No. 1454 H.D. 2

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2015 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1454, 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 economic development in the State through the promotion of manufacturing by establishing a temporary nonrefundable income tax credit for taxpayers who incur certain equipment and training expenses in the manufacture of products in Hawaii.

The Department of Business, Economic Development and Tourism; Chamber of Commerce of Hawaii; Maui Chamber of Commerce; Hawaii Food Industry Association; Meadow Gold Dairies; KYD, Inc. dba: K. Yamada Distributors; and a concerned individual testified in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and High Technology Development Corporation provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the amount of, and cap on, the tax credit to unspecified amounts to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 1454, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1454, H.D. 2.

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

SYLVIA LUKE, Chair

State of Hawaii House of Representatives The Twenty-eighth Legislature

HSOR 184

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB 1454, HD1	Committee Referral: EDB, FIN	Date: 2/25/15			
☐ 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. CACHOLA, Romy M.			···		
4. CULLEN, Ty J.K.					
5. DECOITE, Lynn					
6. JOHANSON, Aaron Ling					
7. JORDAN, Jo				13.	
8. KEOHOKALOLE, Jarrett					
9. KOBAYASHI, Bertrand					
10. LOWEN, Nicole E.			. <u></u>		
11. ONISHI, Richard H.K.					
12. TOKIOKA, James Kunane					
13. YAMASHITA, Kyle T.					
14. POUHA, Feki					
15. WARD, Gene				7	
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TOTAL (15)			· Ot	1	
The recommendation is: Adop	recommendation is: Adopted If joint referral, committee acronym(s) Adopted did not support recommendation.				
Vice Chair's or designee's signature:					
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