STAND. COM. REP. NO. 3



Honolulu, Hawaii

## MAR 2 4 2016

RE: H.B. No. 2166 H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 2166, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INCOME TAX CREDITS,"

begs leave to report as follows:

The purpose and intent of this measure is to expand the low income-household renters' income tax credit based on adjusted gross income, filing status, and the Consumer Price Index for All Urban Consumers published by the United States Department of Labor for each taxable year beginning after December 31, 2016.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women; Americans for Democratic Action, Hawaii Chapter; Progressive Democrats of Hawai'i; PHOCUSED; Mental Health America of Hawai'i; Catholic Charities Hawai'i; The CHOW Project; League of Women Voters of Hawaii; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Children's Action Network; and three individuals. Your Committee received comments on this measure from the Department of Taxation; Honolulu Community Action Program, Inc.; and Tax Foundation of Hawaii.

Your Committee finds that the low income-household renters credit is designed to assist many of Hawaii's low- and moderateincome families with the high cost of rent in the State. However, the credit has not been updated to address today's costs. This



STAND. COM. REP. NO. 3133 Page 2

measure would expand the credit in various ways, providing meaningful relief for renter households that struggle to pay rent.

Your Committee has amended this measure by:

- (1) Deleting the definition of "consumer price index";
- (2) Deleting language that, for each taxable year beginning after December 31, 2016, would have allowed inflationary adjustments to the low income-household renters credit, income threshold amount, and minimum amount paid in rent; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2166, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2166, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Housing,

Breene Mor

BREENE HARIMOTO, Chair



## The Senate Twenty-Eighth Legislature State of Hawaiʻi

## Record of Votes Committee on Housing HOU

Bill / Resolution No.:*	Committee	Referral:	Dat	le:	<i>i</i>
HB2166, HD1	HOU, WAM			3/23/14	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended A Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
HARIMOTO, Breene (C)					
GALUTERIA, Brickwood (VC)					
GREEN, Josh					
IHARA, Jr., Les					
TANIGUCHI, Brian T.					
WAKAI, Glenn					
SLOM, Sam					
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TOTAL	-	4	0	0	3
Recommendation:		/			
Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod   File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

\*Only one measure per Record of Votes