

Honolulu, Hawaii

February 9, 2015

RE: H.B. No. 246
H.D. 1

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

Sir:

Your Committee on Human Services, to which was referred H.B. No. 246 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to relieve the tax burdens of low-income households in the State by increasing:

- (1) The income tax credit for low-income household renters for taxpayers with adjusted gross income of less than \$30,000 from \$50 to \$150 per qualified exemption; and
- (2) The refundable food/excise tax credit, which is based on the taxpayer's adjusted gross income, from \$0 to \$170 per qualified exemption.

The Office of Hawaiian Affairs, Hawaii State Commission on the Status of Women, UNITE HERE Local 5, ILWU Local 142, Democratic Party of Hawaii, Partners in Care, Americans for Democratic Action, Catholic Charities Hawaii, Hawaii Women's Coalition, Hawaii Appleseed Center for Law and Economic Justice, PHOCUSED, Hawaii Community Assets, Chow Project, Hawaii Primary Care Association, and an individual testified in support. The Department of Taxation, Tax Foundation of Hawaii, and an individual provided comments.



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Your Committee has amended this measure to apply to taxable years after December 31, 2015.

Should the Committee on Finance deliberate this measure further, your Committee on Human Services respectfully requests that it consider increasing the income eligibility threshold for the income tax credit for low-income household renters from \$30,000 to \$60,000.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 246, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 246, H.D. 1, and be referred to the Committee on Housing.

Respectfully submitted on
behalf of the members of the
Committee on Human Services,



DEE MORIKAWA, Chair



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