STAND. COM. REP. NO. 2003

Honolulu, Hawaii

MAR 0 3 2016

RE: S.B. No. 2921

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2921 entitled:

"A BILL FOR AN ACT RELATING TO CONFORMITY TO THE INTERNAL REVENUE CODE,"

begs leave to report as follows:

The purpose and intent of this measure is to conform Hawaii's income and estate and generation-skipping transfer taxes to the Internal Revenue Code as of December 31, 2015.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that this annual conformity measure is submitted by the Department of Taxation in compliance with section 235-2.5, Hawaii Revised Statutes, which requires the department to annually submit a measure to maintain state income tax conformity with the federal Internal Revenue Code. This measure is also intended to comply with section 236E-4, Hawaii Revised Statutes, which requires the department to annually submit a measure to maintain state estate and generation-skipping tax conformity with the federal Internal Revenue Code. The purpose of conformity is to update the state tax laws with those changes made to the federal Internal Revenue Code during the past year and to adopt those changes that are appropriate for Hawaii law.



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As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2921 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

> Respectfully submitted on behalf of the members of the Committee on Ways and Means,

Chair TOKUDA,

The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:			Date:	
3B 2921	WAM			<u> </u>	116
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Ауе	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)					
DELA CRUZ, Donovan M. (VC)					
CHUN OAKLAND, Suzanne					· · · · · · · · · · · · · · · · · · ·
ENGLISH, J. Kalani					
GALUTERIA, Brickwood					
HARIMOTO, Breene					
INOUYE, Lorraine R.		/			
RIVIERE, Gil		\langle			
TANIGUCHI, Brian T.		/			
WAKAI, Glenn					
SLOM, Sam					
· · · · · ·					
TOTAL		10			
Recommendation:					
Adopted 🗌 Not Adopted					
Chail'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