

Honolulu, Hawaii

APR 06 2016

RE: S.C.R. No. 59

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.C.R. No. 59 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE TAX REVIEW
COMMISSION TO STUDY CONFORMITY OF STATE INCOME TAX LAW WITH
THE INTERNAL REVENUE CODE AS IT RELATES TO THE STANDARD
DEDUCTION AND PERSONAL EXEMPTION,"

begs leave to report as follows:

The purpose and intent of this measure is to request the Tax
Review Commission to evaluate whether the standard deduction and
personal exemption under chapter 235, Hawaii Revised Statutes,
should be increased or conformed to the Internal Revenue Code.

Your Committee received comments on this measure from the
Department of Taxation.

Your Committee finds that the amounts of the standard
deduction and personal exemption for federal income taxation set
forth in the Internal Revenue Code are higher than the
corresponding amounts for state income taxation set forth in
chapter 235, Hawaii Revised Statutes. Your Committee also finds
that unlike the Internal Revenue Code, the Hawaii Revised Statutes
do not provide for the automatic adjustment of the standard
deduction and personal exemption for inflation.

Your Committee notes that pursuant to article VII, section 3,
of the state constitution, the Tax Review Commission has the duty
to evaluate the State's tax structure and recommend tax policy.
Your Committee therefore believes that it is both appropriate and



necessary for the Tax Review Commission to evaluate whether the standard deduction and personal exemption under chapter 235, Hawaii Revised Statutes, should be increased or conformed to the Internal Revenue Code.

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 concurs with the intent and purpose of S.C.R. No. 59 and recommends its adoption.

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



JILL N. TOKUDA, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <div style="text-align: center; font-size: 1.2em;">SCR 59</div>	Committee Referral: <div style="text-align: center; font-size: 1.2em;">WAM</div>	Date: <div style="text-align: center; font-size: 1.2em;">3/23/16</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood				/
HARIMOTO, Breene	/			
INOUE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam				/
TOTAL	9			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<div style="display: flex; justify-content: space-between; font-size: 0.8em;"> <div style="text-align: center;">Distribution: Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes