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COMMITTEE ON WAYS AND MEANS

Sen. Jill Tokuda, Chair

Sen. Ron Kouchi, Vice Chair

Friday, February 13, 2015

9:10 a.m.

Room 211

SUPPORT for SB 392 – INCOME TAX CREDIT FOR LOW INCOME RENTERS

Aloha Chair Tokuda, Vice Chair Kouchi and Members of the Committee!

My name is Kat Brady and I am the Coordinator of Community Alliance on Prisons, a community initiative promoting smart justice policies for almost two decades. This testimony is respectfully offered on behalf of the 5,600 Hawai'i individuals living behind bars, always mindful that more than 1,600, and soon to be rising number of Hawai'i individuals who are serving their sentences abroad, thousands of miles away from their loved ones, their homes and, for the disproportionate number of incarcerated Native Hawaiians, far from their ancestral lands.

SB 392 amends income tax credit for low-income household renters to adjust for inflation and applies to taxable years beginning after 12/31/2015.

Community Alliance on Prisons supports this measure that will help some of Hawai'i's most vulnerable people, including those exiting incarceration. Hawaii's renters already struggle with the highest rents in the nation. The low income household renters credit helps families afford housing through a refundable tax credit that partially offsets the GET and property taxes that landlords pass along in the rent. Renters have been left far behind as this credit--set at just \$50 per exemption for households with income below \$30,000--has not been adjusted, even for inflation, since the 1980s. Meanwhile, Hawaii's low-income residents face the highest tax burden in the country, and renters are not eligible for major housing tax breaks such as the mortgage interest deduction.

Community Alliance on Prisons urges the committee to support this important measure that would adjust the renters credit for inflation by increasing the credit value to **\$150 per exemption for households with income below \$60,000** and automatically tying future increases in the credit to inflation.

Mahalo for this opportunity to testify.

SB392

Submitted on: 2/12/2015

Testimony for WAM on Feb 13, 2015 09:10AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Fawn Jade Koopman	Individual	Support	No

Comments:

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