
A BILL FOR AN ACT

RELATING TO TAXATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§235- Albizia tree removal tax credit. (a) There
5 shall be allowed to each taxpayer subject to the tax imposed
6 under this chapter, a credit that shall be deductible from the
7 taxpayer's net income tax liability, if any, imposed by this
8 chapter for the taxable year in which the credit is properly
9 claimed.

10 (b) In the case of a partnership, S corporation, estate,
11 or trust, the tax credit allowable is for qualified expenses
12 incurred by the entity for the taxable year. The expenses upon
13 which the tax credit is computed shall be determined at the
14 entity level. Distribution and share of credit shall be
15 determined by rule.

16 (c) The amount of the tax credit shall be seventy-five per
17 cent of the qualified expenses, as defined in this section, of



1 the taxpayer; provided that the tax credit shall not exceed the
2 amount of expenditures deemed reasonably necessary by a
3 certified arborist.

4 (d) The director of taxation:

5 (1) Shall prepare any forms that may be necessary to claim
6 a tax credit under this section;

7 (2) May require the taxpayer to furnish reasonable
8 information to ascertain the validity of the claim for
9 credit made under this section, including an affidavit
10 signed by the certified arborist; and

11 (3) May adopt rules under chapter 91 necessary to
12 effectuate the purposes of this section.

13 (e) If the tax credit under this section exceeds the
14 taxpayer's income tax liability, the excess of the credit over
15 liability may be used as a credit against the taxpayer's income
16 tax liability in subsequent years until exhausted. All claims
17 for the tax credit under this section, including amended claims,
18 shall be filed on or before the end of the twelfth month
19 following the close of the taxable year for which the credit may
20 be claimed. Failure to comply with the foregoing provision
21 shall constitute a waiver of the right to claim the credit.



1 (f) For the purposes of this section:

2 "Qualified expenses" means costs that are necessary and
3 directly incurred by the taxpayer for the removal of albizia
4 trees from real property owned by the taxpayer.

5 "Certified arborist" means an individual who has met all
6 the requirements for and earned an International Society of
7 Arboriculture Certified Arborist credential."

8 SECTION 2. New statutory material is underscored.

9 SECTION 3. This Act shall take effect on January 28, 2081,
10 and shall apply to taxable years beginning after December 31,
11 2016.



Report Title:

Albizia Trees; Tax Credit

Description:

Establishes an income tax credit for taxpayers who remove albizia trees from their real property. (HB29 HD1)

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