STAND. COM. REP. NO. 56

Honolulu, Hawaii

February 15, 2019

RE: H.B. No. 1216 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 1216 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to establish a home business income tax credit for taxpayers who own and operate a business from their principal residence.

The O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and Hawaii Cattlemen's Council supported this measure. The Department of Taxation, Department of the Attorney General, and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to December 31, 2112, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to

this report, your Committee is in accord with the intent and purpose of H.B. No. 1216, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1216, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Economic Development & Business,

ANGUS L.K. McKELVEY, Chair

State of Hawaii House of Representatives The THIRTIETH Legislature



Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: HB 1216	Committee Referral:	Date:	2-8-1	9
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)				
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2. KITAGAWA, Lisa (VC)		CONTRACTOR OF THE PARTY OF		Service III dente d
3. ELI, Stacelynn K.M.	V			
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4. ICHIYAMA, Linda				
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5. JOHANSON, Aaron Ling				
6. QUINLAN, Sean				See and residing
				CENTER OF THE PARTY OF THE PART
7. YAMASHITA, Kyle T.				
8. MATSUMOTO, Lauren				
8. MATSUMOTO, Lauren				
TOTAL (8)	7	d	Ø	
TOTAL (8) The recommendation is: Ado If joint r	-	did not suppor	Ø recommendation	
The recommendation is: Ado	eferral,	did not support		