
A BILL FOR AN ACT

RELATING TO BUSINESS.

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 part I to be appropriately
3 designated and to read as follows:
- 4 "§235- Income tax credit; residency. Notwithstanding
5 any law to the contrary, any taxpayer claiming a tax credit
6 pursuant to this chapter shall provide to the department of
7 taxation documentation verifying that at least seventy-five per
8 cent of all employees of the taxpayer are residents of the
9 State, including proof of residency for each resident employee
10 through a state-issued identification card and any two of the
11 following acceptable forms of documentation:
- 12 (1) A current home utility bill, lease or rental
13 agreement, or deed or title to real property in the
14 State;
- 15 (2) A wage stub issued in the last six months; or
- 16 (3) Other proof of Hawaii residency as determined by the
17 director of taxation."



H.B. NO. 594

1 SECTION 2. This Act does not affect rights and duties that
2 matured, penalties that were incurred, and proceedings that were
3 begun before its effective date.

4 SECTION 3. New statutory material is underscored.

5 SECTION 4. This Act shall take effect upon its approval.

6

INTRODUCED BY: _____



JAN 22 2021



H.B. NO. 514

Report Title:

Tax Credits; Income Tax; Employees; State Residency

Description:

Requires any taxpayer claiming an income tax credit to submit documentation verifying that seventy-five per cent of the applicant's employees are residents of Hawaii, including proof of residency for each qualifying employee through a state-issued identification card and two other acceptable documents as determined by the director of taxation.

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