
HOUSE CONCURRENT RESOLUTION

URGING HAWAII'S CONGRESSIONAL DELEGATION TO INTRODUCE
LEGISLATION THAT WOULD REPEAL PROVISIONS OF THE FEDERAL TAX
CUTS AND JOBS ACT OF 2017, AFFECTING LOW- AND MIDDLE-INCOME
HOUSEHOLDS.

1 WHEREAS, on December 15, 2017, the United States Congress
2 approved the Tax Cuts and Jobs Act, Public Law 115-97 (Act), the
3 largest overhaul of the federal tax code in the past thirty
4 years; and

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6 WHEREAS, among other things, the Act lowered tax rates on
7 wages, investments, and business income; broadened the tax base;
8 and simplified the tax code; and

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10 WHEREAS, the Act also lowered the corporate income tax to
11 twenty-one percent and moved the United States from a worldwide
12 system to a territorial system of taxation; and

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14 WHEREAS, according to an analysis released by the Tax
15 Policy Center, the Act was expected to raise the after-tax
16 income of 80.4 percent of households in 2018, but that cut was
17 not distributed evenly nor progressively; and

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19 WHEREAS, the analysis revealed that the tax break would hit
20 93.7 percent of taxpayers in the highest-earning quintile, and
21 only 53.9 percent of those in the lowest quintile; and

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23 WHEREAS, that is no longer expected to be true once
24 individual tax cuts expire after 2025, at which point the Tax
25 Policy Center estimates that the majority of taxpayers, 53.4
26 percent, will face a tax increase; 60.7 percent of those in the
27 middle quintile will pay more, compared to just eight percent of
28 the highest-earning 0.1 percent; and



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1 WHEREAS, with the exception of that top 0.1 percent, higher
2 earners will enjoy larger tax breaks as a proportion of their
3 income; and
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5 WHEREAS, it was estimated that the twenty-two thousand
6 households making \$20,000 to \$30,000 will collectively pay 26.6
7 percent more in 2027 than they would under the previous statute
8 in that year; and
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10 WHEREAS, the households making over \$1,000,000 will pay one
11 percent less; and
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13 WHEREAS, in its finalized form, the Act cuts the corporate
14 tax rate, which benefits shareholders who tend to be higher
15 earners, while cutting individuals' taxes for a limited period
16 of time; and
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18 WHEREAS, the Act also scales back the alternative minimum
19 tax and estate tax, as well as reduces the taxes levied on pass-
20 through income, seventy percent of which goes to the highest-
21 earning one percent; and
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23 WHEREAS, the working people of the State are in desperate
24 need of tax relief; and
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26 WHEREAS, only reasonable reforms that promote progressivity
27 and social equity in the federal tax code be supported; now,
28 therefore,
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30 BE IT RESOLVED by the House of Representatives of the
31 Thirty-first Legislature of the State of Hawaii, Regular Session
32 of 2021, the Senate concurring, that this body urges Hawaii's
33 congressional delegation to introduce and support legislation
34 that would repeal provisions of the Tax Cuts and Jobs Act of
35 2017, that negatively impact low-income and middle-income
36 households; and



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1 BE IT FURTHER RESOLVED that certified copies of this
2 Concurrent Resolution be transmitted to each member of Hawaii's
3 Congressional Delegation.

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OFFERED BY:



MAR 11 2021

