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## HOUSE 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



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, that this body urges Hawaii's congressional delegation  
33 to introduce and support legislation that would repeal  
34 provisions of the Tax Cuts and Jobs Act of 2017, that negatively  
35 impact low-income and middle-income households; and



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

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OFFERED BY:

*Samuel King*

MAR 11 2021

