
A BILL FOR AN ACT

RELATING TO TAXATION.

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

- 1 SECTION 1. Section 235-17, Hawaii Revised Statutes, is
2 amended by amending subsections (i) and (j) to read as follows:
3 "(i) The department of business, economic development, and
4 tourism shall:
- 5 (1) Maintain records of the names of the taxpayers and
6 qualified productions thereof claiming the tax credits
7 under subsection (a);
 - 8 (2) Obtain and total the aggregate amounts of all
9 qualified production costs per qualified production
10 and per qualified production per taxable year;
 - 11 (3) Provide a letter to the director of taxation
12 specifying the amount of the tax credit per qualified
13 production for each taxable year that a tax credit is
14 claimed and the cumulative amount of the tax credit
15 for all years claimed; [~~and~~]
 - 16 (4) File a public disclosure identifying the name of the
17 taxpayer who received the tax credit and the total



1 amount of tax credit received upon certification by
2 the department of business, economic development, and
3 tourism that a taxpayer has received any amount of tax
4 credit under this section; and

5 ~~[(4)]~~ (5) Submit a report to the legislature no later than
6 twenty days prior to the convening of each regular
7 session detailing the non-aggregated qualified
8 production costs that form the basis of the tax credit
9 claims and expenditures, itemized by taxpayer, in a
10 redacted format to preserve the confidentiality of the
11 taxpayers claiming the credit.

12 Upon each determination required under this subsection, the
13 department of business, economic development, and tourism shall
14 issue a letter to the taxpayer, regarding the qualified
15 production, specifying the qualified production costs and the
16 tax credit amount qualified for in each taxable year a tax
17 credit is claimed. The taxpayer for each qualified production
18 shall file the letter with the taxpayer's tax return for the
19 qualified production to the department of taxation.

20 Notwithstanding the authority of the department of business,
21 economic development, and tourism under this section, the



1 director of taxation may audit and adjust the tax credit amount
2 to conform to the information filed by the taxpayer.

3 (j) Total tax credits claimed per qualified production
4 shall not exceed [~~\$15,000,000.~~] \$12,000,000."

5 SECTION 2. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 3. This Act shall take effect upon its approval;
8 and shall apply to taxable years beginning after December 31,
9 2020.



Report Title:

Motion Picture, Digital Media, and Film Production Income Tax Credit; Department of Business, Economic Development and Tourism; Public Disclosure

Description:

Amends the motion picture, digital media, and film production income tax credit by reducing the total tax credits claimed per qualified production to \$12,000,000. Requires the Department of Business, Economic Development, and Tourism to make a public disclosure identifying the names of the taxpayers who are receiving the tax credits and the total amount of tax credit received. (SD1)

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