
A BILL FOR AN ACT

RELATING TO TAX CREDITS.

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

1 SECTION 1. Section 235-55.6, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:

3 "(c) Dollar limit on amount creditable. The amount of the
4 employment-related expenses incurred during any taxable year
5 which may be taken into account under subsection (a) shall not
6 exceed:

7 (1) [~~\$2,400~~] \$4,800 if there is one qualifying individual
8 with respect to the taxpayer for such taxable year, or

9 (2) [~~\$4,800~~] \$9,600 if there are two or more qualifying
10 individuals with respect to the taxpayer for such
11 taxable year.

12 The amount determined under paragraph (1) or (2) (whichever is
13 applicable) shall be reduced by the aggregate amount excludable
14 from gross income under section 129 (with respect to dependent
15 care assistance programs) of the Internal Revenue Code for the
16 taxable year."



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 Statutory material to be repealed is bracketed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

3 SECTION 3. This Act, upon its approval, shall apply to
4 taxable years beginning after December 31, 2020.

5

INTRODUCED BY:



JAN 26 2021



H.B. NO. 1177

Report Title:

Household and Dependent Care Services Tax Credit; Income Tax

Description:

Increases the amount of tax credit allowable for household and dependent care services from \$2,400 to \$4,800 for a qualifying individual and from \$4,800 to \$9,600 for two or more qualifying individuals.

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