

JAN 21 2021

A BILL FOR AN ACT

RELATING TO CAPITAL GAINS.

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

1 SECTION 1. Section 235-51, Hawaii Revised Statutes, is
2 amended by amending subsection (f) to read as follows:

3 "(f) If a taxpayer has a net capital gain for any taxable
4 year to which this subsection applies, then the tax imposed by
5 this section shall not exceed the sum of:

6 (1) The tax computed at the rates and in the same manner
7 as if this subsection had not been enacted on the
8 greater of:

9 (A) The taxable income reduced by the amount of net
10 capital gain, or

11 (B) The amount of taxable income taxed at a rate
12 below [~~7.25~~] 9 per cent, plus

13 (2) A tax of [~~7.25~~] 9 per cent of the amount of taxable
14 income in excess of the amount determined under
15 paragraph (1).

16 This subsection shall apply to individuals, estates, and
17 trusts for taxable years beginning after December 31, 1986."



S.B. NO. 154

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 Statutory material to be repealed is bracketed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.

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INTRODUCED BY: _____

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S.B. NO. 154

Report Title:

Capital Gains Tax; Income Tax; Increase

Description:

Increases the capital gains tax threshold from 7.25 per cent to 9 per cent. Effective for tax years beginning after 12/31/2020.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

