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# A BILL FOR AN ACT

RELATING TO THE IMPORTANT AGRICULTURAL LAND QUALIFIED  
AGRICULTURAL COST TAX CREDIT.

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

1           SECTION 1. The legislature finds that the important  
2 agricultural land qualified agricultural cost tax credit  
3 supports food self-sufficiency by providing tax credits to  
4 qualified landowners and farmers to help offset costs related to  
5 establishing and sustaining viable agricultural operations.  
6 Currently, the important agricultural land qualified  
7 agricultural cost tax credit is claimed over a three-year  
8 period. The legislature further finds that the ability of  
9 taxpayers to claim the tax credit effectively expired when the  
10 department of agriculture's certification authority ended on  
11 December 31, 2021.

12           Extending the important agricultural land qualified  
13 agricultural cost tax credit will provide additional time to  
14 allow landowners and farmers to claim the tax credit in the  
15 event that their agricultural lands are identified as potential



1 important agricultural lands and subsequently designated as such  
2 by the land use commission.

3 The purpose of this Act is to extend the expiration date of  
4 the department of agriculture's certification authority with  
5 regard to the important agricultural land qualified agricultural  
6 cost tax credit from December 31, 2021, to December 31, 2031.

7 SECTION 2. Section 235-110.93, Hawaii Revised Statutes, is  
8 amended by amending subsection (1) to read as follows:

9 "(1) The department of agriculture shall cease certifying  
10 credits pursuant to this section for taxable years beginning  
11 after December 31, [~~2021~~] 2031; provided that a taxpayer with  
12 accumulated, but unclaimed, certified credits may continue  
13 claiming the credits in subsequent taxable years until  
14 exhausted."

15 SECTION 3. Statutory material to be repealed is bracketed  
16 and stricken. New statutory material is underscored.

17 SECTION 4. This Act shall take effect on July 1, 2050, and  
18 shall apply to taxable years beginning after December 31, 2021.



**Report Title:**

Income Taxation; Important Agricultural Land Qualified  
Agricultural Cost Tax Credit; HDOA; Extension

**Description:**

Extends the time that the Department of Agriculture may certify  
the important agricultural land qualified agricultural cost tax  
credit from 12/31/2021 to 12/31/2031. Effective 7/1/2050.  
(SD1)

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