S.C.R. NO. 80

MAR 1 0 2022

SENATE CONCURRENT RESOLUTION

URGING HAWAII'S CONGRESSIONAL DELEGATION TO INTRODUCE AND
SUPPORT LEGISLATION THAT WOULD REPEAL THE $10,000
LIMITATION ON THE DEDUCTION FOR STATE AND LOCAL TAXES
ENACTED BY THE FEDERAL TAX CUTS AND JOBS ACT OF 2017.

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 that included the $10,000 limitation on deductions for
5 state and local taxes (SALT cap); and
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7   WHEREAS, the SALT cap is leading to an increase in states'
8 deficits, which are statutorily required to be offset by
9 reductions in outlays or increases in other revenue to maintain
10 budget outcomes; and
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12   WHEREAS, the SALT cap decreases after-tax income for
13 taxpayers, which causes more financial hardship and a decrease
14 in the consumption of goods and services that is vital for
15 economic recovery; and
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17   WHEREAS, the SALT cap disproportionately reduces Hawaii
18 residents' after-tax income compared to states that have a lower
19 tax rate or cost of living due to having a flat limitation
20 level; and
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22   WHEREAS, the SALT cap does not take into account
23 significant factors such as inflation or marital status; and
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25   WHEREAS, the working people of the State of Hawaii are in
26 desperate need of tax relief; and
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28   WHEREAS, legislation has been introduced in the 116th
29 Congress that would modify the SALT cap, including increasing

1   the SALT cap level for some or all taxpayers or repealing the
2   SALT cap entirely; now, therefore,
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4   BE IT RESOLVED by the Senate of the Thirty-first
5   Legislature of the State of Hawaii, Regular Session of 2022, the
6   House of Representatives concurring, that this body urges
7   Hawaii's Congressional Delegation to introduce and support
8   legislation that would repeal the SALT cap, which negatively
9   impacts the State's residents and economy; and
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11   BE IT FURTHER RESOLVED that certified copies of this
12 Concurrent Resolution be transmitted to each member of Hawaii's
13 Congressional Delegation.
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                    OFFERED BY: _____

                                        By Request