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## A BILL FOR AN ACT

RELATING TO NATIVE PLANT SPECIES.

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

1           SECTION 1. The legislature finds that Hawaii is in the  
2 midst of a biodiversity crisis. Due to rapid changes in land  
3 use over the past century, many species native to Hawaii are  
4 facing extinction in the near future. While our system of parks  
5 and nature preserves have made powerful strides in conserving  
6 biodiversity, more action is needed. The legislature also finds  
7 that private landowners are entrusted with stewardship of our  
8 islands and bear a responsibility to ensure that their natural  
9 beauty is preserved for the next generation.

10           Accordingly, the purpose of this Act is to help landowners  
11 fulfill their responsibility by establishing an income tax  
12 credit for taxpayers who engage in preservation efforts using  
13 native plants.

14           SECTION 2. Chapter 235, Hawaii Revised Statutes, is  
15 amended by adding a new section to be appropriately designated  
16 and to read as follows:



1           "§235-           Native plant preservation tax credit. (a)

2           There shall be allowed to each taxpayer subject to the tax  
3           imposed under this chapter, a native plant preservation tax  
4           credit that shall be deductible from the taxpayer's net income  
5           tax liability, if any, imposed by this chapter for the taxable  
6           year in which the credit is properly claimed.

7           (b) In the case of a partnership, S corporation, estate,  
8           or trust, the tax credit shall be determined at the entity  
9           level. Distribution and share of credit shall be determined by  
10          rule.

11          (c) The native plant preservation tax credit shall be  
12          equal to \$1,000 multiplied by the percentage of the taxpayer's  
13          land that is occupied by native plants, as certified by the  
14          department of land and natural resources; provided that no  
15          credit shall be allowed under this section if the percentage of  
16          a taxpayer's land that is occupied by native plants is less than  
17          twenty per cent.

18          (d) The department of land and natural resources shall:

19          (1) Maintain records of the names and addresses of the  
20          taxpayers claiming the credits under this section;



1       (2) Verify the percentage of a taxpayer's land that is  
2       occupied by native plants;

3       (3) Certify all qualified use of native plants for the  
4       purposes of this section; and

5       (4) Certify to each taxpayer the amount of credit the  
6       taxpayer may claim.

7       The department of land and natural resources may adopt  
8       rules under chapter 91 as necessary to implement the  
9       certification requirements under this section.

10       The department of land and natural resources may assess and  
11       collect a fee to offset the costs of certifying tax credit  
12       claims under this section.

13       (e) The director of taxation:

14       (1) Shall prepare any forms that may be necessary to claim  
15       a tax credit under this section;

16       (2) May require the taxpayer to furnish reasonable  
17       information to ascertain the validity of the claim for  
18       the tax credit made under this section; and

19       (3) May adopt rules under chapter 91 necessary to  
20       effectuate the purposes of this section.



1        (f) If the tax credit claimed by the taxpayer under this  
 2 section exceeds the amount of the income tax payments due from  
 3 the taxpayer, the excess of credit over payments due shall be  
 4 refunded to the taxpayer; provided that the tax credit properly  
 5 claimed by a taxpayer who has no income tax liability shall be  
 6 paid to the taxpayer; and provided further that no refunds or  
 7 payments on account of the tax credit allowed by this section  
 8 shall be made for amounts less than \$1.

9        All claims for the tax credit under this section, including  
 10 amended claims, shall be filed on or before the end of the  
 11 twelfth month following the close of the taxable year for which  
 12 the credit may be claimed. Failure to comply with the foregoing  
 13 provision shall constitute a waiver of the right to claim the  
 14 credit.

15        (g) As used in this section, "native plants" means any  
 16 plants that are indigenous or endemic to Hawaii."

17        SECTION 3. New statutory material is underscored.

18        SECTION 4. This Act, upon its approval, shall apply to  
 19 taxable years beginning after December 31, 2022.

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INTRODUCED BY: \_\_\_\_\_

*NAB*

JAN 25 2023



# H.B. NO. 1447

**Report Title:**

Income Tax Credit; Native Plants; Preservation

**Description:**

Creates an income tax credit for taxpayers who engage in preservation efforts using native plants.

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

