## CONFERENCE COMMITTEE REP. NO.



Honolulu, Hawaii

APR 28

, 2023

RE:

H.B. No. 954

H.D. 2 S.D. 2 C.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 954, H.D. 2, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- Increase the amounts for the income tax brackets and personal exemption and standard deduction amounts for tax year 2023;
- (2) Adjust annually for tax years beginning after December 31, 2023, the income tax brackets and personal exemption, and standard deduction amounts by a cost-of-living adjustment factor; and

2023-3452 HB954 CD1 HCCR HMSO



(3) Amend the taxable income brackets and income tax rates for each filing status for taxable years beginning after December 31, 2022.

Your Committee on Conference has amended this measure by:

- (1) Deleting language which would have:
  - (A) Defined cost-of-living adjustment factor;
  - (B) Increased the amounts for the income tax brackets and personal exemption and standard deduction amounts;
  - (C) Adjusted annually the income tax brackets and personal exemption, and standard deduction amounts by a cost-of-living adjustment factor; and
  - (D) Amended the taxable income brackets and income tax rates for each filing status;
- (2) Inserting language which:
  - (A) Increases the household and dependent care services tax credit;
  - (B) Increases the refundable earned income tax credit; and
  - (C) Increases the income thresholds and credit amounts of the refundable food/excise tax credit;
- (3) Inserting a sunset date of December 31, 2027; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 954, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 954, H.D. 2, S.D. 2, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

DONOVAN M. DELA CRUZ

Chair

DANIEL HOLT

Co-Chair

KYLE T. YAMASHITA

Co-Chair

## Hawaii State Legislature

## Record of Votes of a Conference Committee

CCR 135

Bill / Concurrent Resolution No.: HB 954, HD 2, SD 2				Date/Time: 4(28/23)	3:	15	pm	)	
The recommendation of the House and Senate managers is to pass with amendments (CD).									
☐ The Committee is reconsidering its previous decision.									
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	Е	House Managers	A	WR	N	Е
DELA CRUZ, Donovan M., Chr.					HOLT, Daniel, Co-Chr.	1			
KEITH-AGARAN, Gilbert S.C.					YAMASHITA, Kyle T., Co-Chr.				
FEVELLA, Kurt	<b>/</b>				EVSLIN, Luke A.	/			
					ILAGAN, Greggor	/			,
					KITAGAWA, Lisa				/
					LAMOSAO, Rachele F.	/			
					MORIKAWA, Dee	1			
					NAKAMURA, Nadine K.				
					NISHIMOTO, Scott Y.				/
					PIERICK, Elijah				/
	<del>                                     </del>								
TOTAL	3	0	0	0	TOTAL	7	0	0	3
$\mathbf{A} = Aye$ WF	R = Ay	e with	Reser	vation	s $N = Nay$ E	= Exc	used		
Senate Recommendation is:				House Recommendation is:					
Adopted Not Adopted				Adopted Not Adopted					
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:					
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