STAND. COM. REP. NO.

1504

Honolulu, Hawaii

MAR 24

, 2023

RE: S.B. No. 924

S.D. 2 H.D. 1

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

Sir:

Your Committee on Economic Development, to which was referred S.B. No. 924, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to eliminate the home mortgage interest deduction for second homes under the state income tax law.

Your Committee received testimony in support of this measure from two individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS and one individual. Your Committee received comments on this measure from the Department of Taxation, Department of Budget and Finance, and Tax Foundation of Hawaii.

Your Committee finds that the State is currently experiencing a housing shortage crisis. Your Committee further finds that the elimination of the home mortgage interest deduction for second homes will deter ownership of a second home and increase the opportunity for first-time home purchasers in the State.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report,

2023-2823 SB924 HD1 HSCR HMSO

STAND. COM. REP. NO. **\964**Page 2

your Committee is in accord with the intent and purpose of S.B. No. 924, S.D. 2, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Economic Development,

DANIEL HOLT, Chair

State of Hawaii House of Representatives The Thirty-second Legislature

HSCR 1504

Record of Votes of the Committee on Economic Development

SB924, SD2, HDI	Committee Referral: HSG, ECD, FIN	Date	" 2/02/	2023
The committee is reconsidering its prev			3/22/	
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
ECD Members	Ayes	Ayes (WR)	Nays	Excused
1. HOLT, Daniel (C)				
2. LAMOSAO, Rachele F. (VC)				
3. HUSSEY-BURDICK, Natalia				
4. KONG, Sam Satoru	Marwing 1970	-	, January Marie Carrier Carrie	
5. LA CHICA, Trish			ASSET STATE	
			ian il il il ilian	
6. NAKAMURA, Nadine K.				
7. QUINLAN, Sean		77701 U. S.	ar Visyin 18	
	为			
8. PIERICK, Elijah				
			:	
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TOTAL (8)	5	H	2	1
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				