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# A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Section 235-110.51, Hawaii Revised Statutes, is  
2 amended by amending subsections (h) and (i) to read as follows:

3 "(h) The tax credit allowed under this section shall be  
4 available for taxable years beginning after:

5 (1) December 31, 2000, but shall not be available for  
6 taxable years beginning after December 31, 2010[-];  
7 and

8 (2) December 31, 2022, but shall not be available for  
9 taxable years beginning after December 31, 2025.

10 (i) As used in this section:

11 "Data server" means a computer system used to hold large  
12 amounts of electronic data and provide database management and  
13 access services to client computers on a computer network.

14 "Net income tax liability" means income tax liability  
15 reduced by all other credits allowed under this chapter.

16 "Renovation costs" means costs incurred after December 31,  
17 2000, to plan, design, install, construct, and purchase



1 technology-enabled infrastructure equipment to provide a  
2 commercial building with technology-enabled infrastructure.

3 "Technology-enabled infrastructure" means:

4 (1) Either:

5 (A) High speed telecommunications systems that  
6 provide Internet access, direct satellite  
7 communications access, and videoconferencing  
8 facilities; or

9 (B) Data servers;

10 (2) Physical security systems that identify and verify  
11 valid entry to secure spaces, detect invalid entry or  
12 entry attempts, and monitor activity in these spaces;

13 (3) Environmental systems to include heating, ventilation,  
14 air conditioning, fire detection and suppression, and  
15 other life safety systems; and

16 (4) Backup and emergency electric power systems."

17 SECTION 2. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.



1 SECTION 3. This Act shall take effect on January 1, 2050,  
2 and shall apply to taxable years beginning after December 31,  
3 2022.



**Report Title:**

Technology Infrastructure Renovation Tax Credit; Reinstatement;  
Data Servers

**Description:**

Temporarily reinstates the technology infrastructure renovation tax credit. Expands the definition of "technology-enabled infrastructure" to include data servers. Effective 1/1/2050.  
(SD2)

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