

STAND. COM. REP. NO. 1175

Honolulu, Hawaii

, 2023

MAR 03

RE: H.B. No. 400

H.D. 2

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 400, 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 establish:

- (1) An employer-provided or employer-sponsored child care income tax credit for employers that provide or sponsor child care as an employee benefit; and
- (2) An employer child care property income tax credit for the purchase or acquisition of child care property by an employer for employer-provided child care.

Your Committee received testimony in support of this measure from the Hawaii Food Industry Association, Hawai'i Women Lawyers, Maui Chamber of Commerce, 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 has amended this measure by:

- (1) Amending both tax credit amounts by leaving unspecified the percentages of certain costs and tax liability and



leaving unspecified the rate at which the employer child care property tax credit may be claimed; and

- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 400, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 400, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



KYLE T. YAMASHITA, Chair



