STAND. COM. REP. NO. / 17

Honolulu, Hawaii

MAR n 3 , 2023

RE: H.B. No. 561

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 Finance, to which was referred H.B. No. 561, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAX CREDITS,"

begs leave to report as follows:

The purpose of this measure is to require any income tax credit established or renewed after December 31, 2023, to include a five-year sunset or an annual one-third reduction in the credit amount beginning with the sixth year of the credit.

Your Committee received testimony in opposition to this measure from Hawai'i Children's Action Network Speaks!, Hawaii Appleseed Center for Law & Economic Justice, and three individuals. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

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. 561, H.D. 1, and recommends that it pass Third Reading.

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

KYLE T. YAMASHITA, Chair

State of Hawaii House of Representatives The Thirty-second Legislature



Record of Votes of the Committee on Finance

Bill/Resolution No.: H8561 HD1	Committee Referral: ECD, FIN	Date	3/1/23	
☐ The committee is reconsidering its previous decision on the measure.				
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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)				
2. KITAGAWA, Lisa (VC)	23-33-34-34-34-34-34-34-34-34-34-34-34-34	KURKERBER SPAN ADAM ALIMIN FOR L	and the contract of the contra	
3. AIU, Micah P.K.				
4. CHUN, Cory M.		Commission of the commission o	95-98 (402-21-22-22-01-22-22-22-22-22-22-22-22-22-22-22-22-22	The transfer of the same transfer of the
5. COCHRAN, Elle				
6. GARRETT, Andrew Takuya				
7. KAHALOA, Kirstin 8. KILA, Darius K.				
9. KOBAYASHI, Bertrand				
10. LAMOSAO, Rachele F.				
11. MORIKAWA, Dee				
12. NISHIMOTO, Scott Y.			19-31-31-31-31-31-31-31-31-31-31-31-31-31-	
13. POEPOE, Mahina				
14. TAKENOUCHI, Jenna	V	and property for the second se	(3 (1997) - 14 - 14 - 15 (1997)
15. ALCOS III, David				/
16. WARD, Gene		V		1
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TOTAL (16)	13	ĺ	ſ	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				