

STAND. COM. REP. NO.

1177

Honolulu, Hawaii

MAR 03, 2023

RE: H.B. No. 607
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. 607, 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 an interisland produce shipping income tax credit for farmers or ranchers who ship produce and agricultural goods between the counties of the State.

Your Committee received testimony in support of this measure from the Ulupono Initiative; Hawaii Cattlemen's Council, Inc.; Hawaii Food Industry Association; Hawai'i Alliance for Progressive Action; Maui Chamber of Commerce; and two individuals. Your Committee received comments on this measure from the Department of Taxation, Department of Agriculture, Hawai'i Farm Bureau, Hawai'i Farmers Union United, and Tax Foundation of Hawaii.

Your Committee has amended this measure by:

- (1) Changing the following to unspecified amounts or percentages, as applicable:
 - (A) The amount of the tax credit;



- (B) The maximum amount of the tax credit claimable per producer;
 - (C) The annual distribution amounts of the tax credit to various types of producers; and
 - (D) The total amount of tax credits allowed in any taxable year; 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. 607, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 607, H.D. 2.

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



KYLE T. YAMASHITA, Chair



