STAND. COM. REP. NO.

1504

, 2023

Honolulu, Hawaii

MAR 24

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,



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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,

Chair DANIEL HOLT,



State of Hawaii House of Representatives The Thirty-second Legislature



Record of Votes of the Committee on Economic Development

Bill/Resolution No.: SB924, SD2, HDI	Committee Referral: HSG, ECD , FIN	Date	3 22	1023
The committee is reconsidering its previous decision on the measure.				
The recommendation is to:Pass, unamended (as is)Pass, with amendments (HD)HoldPass 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	A THE REAL PROPERTY AND A DESCRIPTION		<u>n a p</u> ersona	
4. KONG, Sam Satoru				
		2 2 2 2 2 2 2 2 2		
5. LA CHICA, Trish				
	at a Real of the			
6. NAKAMURA, Nadine K.				
7. QUINLAN, Sean			steeling the state of the state	
				M ITAL
8. PIERICK, Elijah				
TOTAL (8)	5	Ð	2	1
The recommendation is: Adopted I Not Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
V V Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				