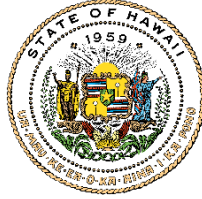


**JOSH GREEN, M.D.**  
GOVERNOR | KE KIA'ĀINA

**SYLVIA LUKE**  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



**DEPT. COMM. NO. 237**

**DAWN N.S. CHANG**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

**LAURA H.E. KAAKUA**  
FIRST DEPUTY

**M. KALEO MANUEL**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES  
ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

**STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
KA 'OIHANA KUMUWAIWAI 'ĀINA**

P.O. BOX 621  
HONOLULU, HAWAII 96809

December 28, 2023

The Honorable Ronald D. Kouchi, President  
and Members of the Senate  
Thirty-Second State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki, Speaker  
and Members of the House of Representatives  
Thirty-Second State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the State Historic Preservation Income Tax Credit for Fiscal Year 2022-2023 report, as required by Sections 235-110.97(1), Hawai'i Revised Statutes. In accordance with Section 93-16, Hawai'i Revised Statutes, a copy of this report has been transmitted to the Legislative Reference Bureau and the report may be viewed electronically at <https://files.hawaii.gov/dlnr/reports-to-the-legislature/2024/HP24-Historic-Preservation-Tax-Credit-Report-FY23.pdf>

Sincerely,

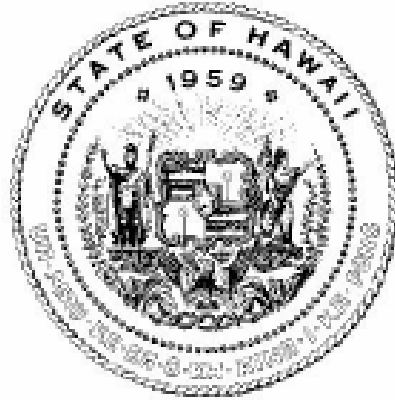
A handwritten signature in black ink, appearing to be "Dawn N. S. Chang".

Dawn N. S. Chang  
Chairperson

Enclosure

REPORT TO THE THIRTY-SECOND LEGISLATURE  
2024 REGULAR SESSION

STATE HISTORIC PRESERVATION INCOME TAX CREDIT  
FOR FISCAL YEAR 2022-2023



PREPARED BY:

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES

IN RESPONSE TO  
Section 235-110-97(l), Hawaii Revised Statutes,

HONOLULU, HAWAII  
December 2023

STATE HISTORIC PRESERVATION INCOME TAX CREDIT  
FOR FISCAL YEAR 2022-2023

BACKGROUND

Chapter 235, Hawaii Revised Statutes, was amended by Act 267, Session Laws of Hawaii 2019, adding a new section to be appropriately designated as “§235- Historic preservation income tax credit...” to allow to each taxpayer subject to the tax imposed by this chapter a historic preservation income tax credit for substantial rehabilitation of a certified historic structure that shall be deductible from the taxpayer’s net income tax liability, if any, imposed by this chapter for the taxable year in which the tax credit is properly claimed.

ACCOMPLISHMENTS

The Department of Land and Natural Resources’ State Historic Preservation Division’s (SHPD) has implemented the standards and guidelines for the State Historic Preservation Tax Credit program. During Fiscal Year (FY) 2022-2023 two projects were completed. The total tax credit on the approved qualifying expenses for these projects totaled just under \$1,000,000, the cap imposed by statute on the total credit for any individual tax year.

FUTURE PROGRAMS

For FY 24, SHPD will be seeking to amend the Act 267, SLH 2019, and extend the State Historic Preservation Tax Credit from the current end date of December 31, 2024 to 2030, and incrementally raising the cap to \$4.5 million during that period.