

JAN 19 2024

A BILL FOR AN ACT

RELATING TO HISTORIC PRESERVATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the present historic
2 preservation tax credit, as authorized in section 235-110.97(i),
3 Hawaii Revised Statutes, sunsets in 2025. Given this, the
4 existing historic preservation income tax credit will no longer
5 be available following the close of the 2024 taxable year for
6 qualified rehabilitation projects. The sunseting of the tax
7 credit will diminish the ability of property owners, especially
8 those from lower income brackets, to rehabilitate and remain in
9 historic single family residences. This will come as a great
10 economic loss for those homeowners who wish to assist with the
11 rehabilitation and continued use of historic buildings in the
12 State which are central to the preservation of Hawaiian history
13 and culture.

14 The purpose of this Act is to extend the historic
15 preservation income tax credit through 2030 and incrementally
16 increase the ceiling on total credits from \$1,500,000 to
17 \$4,000,000 during this period.



1 SECTION 2. Section 235-110.97, Hawaii Revised Statutes, is
2 amended by amending subsection (i) to read as follows:

3 "(i) The aggregate amount of the tax credits claimed for
4 qualified rehabilitation projects shall not exceed:

- 5 (1) \$1,000,000 for the 2020 taxable year;
- 6 (2) \$1,000,000 for the 2021 taxable year;
- 7 (3) \$1,000,000 for the 2022 taxable year;
- 8 (4) \$1,000,000 for the 2023 taxable year; [~~and~~]
- 9 (5) \$1,000,000 for the 2024 taxable year[~~-~~]
- 10 (6) \$1,500,000 for the 2025 taxable year;
- 11 (7) \$2,000,000 for the 2026 taxable year;
- 12 (8) \$2,500,000 for the 2027 taxable year;
- 13 (9) \$3,000,000 for the 2028 taxable year;
- 14 (10) \$3,500,000 for the 2029 taxable year; and
- 15 (11) \$4,000,000 for the 2030 taxable year."

16 SECTION 3. Act 237, Session Laws of Hawaii 2019, is
17 amended by amending section 3 to read as follows:

18 "SECTION 3. This Act shall take effect on July 1, 2019,
19 and shall be repealed on December 31, [~~2024-~~] 2030."

20 SECTION 4. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 5. This Act shall take effect upon its approval.

2

INTRODUCED BY: *Gracie R. Foye*



S.B. NO. 2300

Report Title:

Historic Preservation Tax Credit; Extension

Description:

Extends the sunset date for the historic preservation tax credit to December 31, 2030, and incrementally increases the cap on the total tax credits from \$1,000,000 in the 2025 taxable year to \$4,000,000 in the 2030 taxable year.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

