

STAND. COM. REP. NO.

333

Honolulu, Hawaii

FEB 11 , 2025

RE: H.B. No. 701
H.D. 2

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Economic Development & Technology, to which
was referred H.B. No. 701, 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 a refundable
Family Caregiver Tax Credit for nonpaid family caregivers.

Your Committee received testimony in support of this measure
from the Disability and Communication Access Board; AARP Hawai'i;
Alzheimer's Association, Hawaii Chapter; Hawai'i Family Caregiver
Coalition; Hawaii Self-Advocacy Advisory Council; Hawaii Primary
Care Association; Hawai'i Children's Action Network Speaks!; Aloha
United Way and the ALICE Initiative; and numerous individuals.
Your Committee received comments on this measure from the
Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that a 2023 report from the AARP found
that 154,000 Hawaii residents provide unpaid caregiving services
for a loved one. Your Committee further finds that unpaid family
caregivers face many physical, emotional, and financial challenges
and often balance caregiving with work and other responsibilities.
This measure helps provide support to these caregivers by
establishing a Family Caregiver Tax Credit for nonpaid family
caregivers.

2025-1475 HB701 HD2 HSCR HMSO



Your Committee has amended this measure by:

- (1) Making the Family Caregiver Tax Credit non-refundable;
- (2) Requiring the Director of Taxation to prepare forms, ascertain the validity of claims, and adopt rules in consultation with the Executive Office on Aging;
- (3) Requiring the Executive Office on Aging to certify claims for tax credits;
- (4) Adding an appropriation of an unspecified sum for the Executive Office on Aging to certify claims for tax credits;
- (5) Changing the taxable years for which the Family Caregiver Tax Credit applies to taxable years beginning after December 31, 2025;
- (6) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider an appropriation amount of \$750,000 for the Executive Office on Aging to certify claims for tax credits.

As affirmed by the record of votes of the members of your Committee on Economic Development & Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 701, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 701, H.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Technology,


GREGOR ILAGAN, Chair



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Bill/Resolution No.: HB 701 HD1		Committee Referral: HSH, ECD, FIN		Date: 2/5/25	
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.					
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)					
ECD Members		Ayes	Ayes (WR)	Nays	Excused
1. ILAGAN, Greggor (C)		/			
2. HUSSEY, Ikaika (VC)		/			
3. HOLT, Daniel		/			
4. TAM, Adrian K.		/			
5. TEMPLO, Shirley Ann		/			
6. TODD, Chris		/			
7. MATSUMOTO, Lauren		/			
TOTAL (7)		7	—	—	—
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not 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					