

STAND. COM. REP. NO. 142

Honolulu, Hawaii

FEB 10 2025

RE: S.B. No. 826

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B. No. 826 entitled:

"A BILL FOR AN ACT RELATING TO THE LOW-INCOME HOUSING TAX CREDIT,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify housing developers that are eligible for the Low-Income Housing Tax Credit (LIHTC).

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that LIHTC represents a subsidy for the portion of the total development costs for a housing project. However, as LIHTC is reserved exclusively for housing developments offered to residents that make a certain percentage of the area median income, LIHTC is not suitable for all forms of development. Therefore, this measure ensures effective utilization of LIHTC to support housing development in the State.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 826 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.



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

  
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STANLEY CHANG, Chair



