
HOUSE CONCURRENT RESOLUTION

REQUESTING THAT THE TAX REVIEW COMMISSION CONSIDER CERTAIN GOALS
FOR AN EQUITABLE, EFFICIENT, AND ADEQUATE TAX POLICY
STRUCTURE IN ITS DELIBERATIONS.

1 WHEREAS, under Article VII, Section 3, of the Constitution
2 of the State of Hawaii, the Tax Review Commission (TRC) is
3 required to submit to the legislature an evaluation of the
4 State's tax structure and recommend revenue and tax policy; and
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6 WHEREAS, Section 232E-3, Hawaii Revised Statutes, defines
7 the duty of the TRC to conduct a systematic review of the
8 State's tax structure, using such standards as equity and
9 efficiency; and
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11 WHEREAS, prior TRCs have commissioned and produced various
12 reports and studies regarding certain aspects of Hawaii's tax
13 code; and
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15 WHEREAS, numerous proposals to modify the tax structure are
16 introduced for legislative action every year; and
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18 WHEREAS, the basic functions of the Department of Taxation
19 are to ensure:

- 20 (1) Efficient, accurate revenue collection; and
21 (2) Compliance with the tax laws of the State of Hawaii;
22 and
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24 WHEREAS, prior TRCs have been guided by three primary
25 principles of sound tax policy that include equity, efficiency,
26 and adequacy where:

- 27 (1) Equity is a measurement of how tax burdens are
28 distributed;
29 (2) Efficiency is a measure of the transaction costs of the
30 tax system; and



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(3) Adequacy is the ability of the tax system to produce enough revenue to fund government spending; now, therefore,

BE IT RESOLVED by the House of Representatives of the Thirty-third Legislature of the State of Hawaii, Regular Session of 2025, the Senate concurring, that the TRC consider the following goals for an equitable, efficient, and adequate tax policy structure:

(1) State and local tax policy that maximizes benefit to Hawaii taxpayers when considering provisions of the federal Internal Revenue Code;

(3) Weighing the impact of federal policies and activity on Hawaii taxpayers; and

(2) Ensuring non-residents and visitors contribute fairly while minimizing impacts on residents;

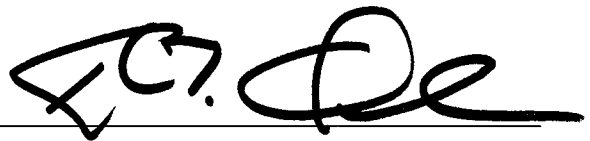
(3) Gauging the effectiveness and appropriateness of all tax credits and exemptions pursuant to Hawaii law;

(4) Evaluating the positive or negative features and impacts of one-time versus recurring tax revenue sources;

(5) Evaluating factors that affect revenue generation and the cost and effectiveness of enforcement activities; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Director of the Department of Taxation and the Chair of the Tax Review Commission.

OFFERED BY:



MAR - 7 2025

