
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. The purpose of this Act is to eliminate state
2 income taxes.

3 SECTION 2. Chapter 235, Hawaii Revised Statutes, is
4 repealed.

5 SECTION 3. No later than twenty days prior to the regular
6 session of 2027, the department of taxation shall submit a
7 report to the legislature on:

8 (1) The estimated annual tax revenue shortfall following
9 the repeal of chapter 235, Hawaii Revised Statutes;
10 (2) Recommendations to address the expected revenue
11 shortfall; and
12 (3) Proposed legislation to address the expected revenue
13 shortfalls and for the necessary conforming amendments
14 to the Hawaii Revised Statutes due to the repeal of
15 chapter 235, Hawaii Revised Statutes.



1 SECTION 4. This Act shall take effect upon its approval;
2 provided that section 2 shall apply to taxable years beginning
3 after December 31, 2027.

4

INTRODUCED BY: 

JAN 28 2026



H.B. NO. 2522

Report Title:

Taxation; Income Tax; Repeal; DoTax

Description:

Eliminates the Hawaii state income tax starting with the 2028 taxable year. Requires the Department of Taxation to submit a report to address the expected tax revenue shortfall and to propose conforming amendments to the Hawaii Revised Statutes.

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

