
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to part VI to be appropriately
3 designated and to read as follows:

4 "§235- Apprenticeship program income tax credit. (a)

5 There shall be allowed to each taxpayer subject to the taxes
6 imposed by this chapter an apprenticeship program income tax
7 credit that shall be deductible from the taxpayer's net income
8 tax liability, if any, imposed by this chapter for the taxable
9 year in which the credit is properly claimed.

10 (b) The amount of the tax credit shall be \$4,800 or fifty
11 per cent of the qualified costs, whichever is less, incurred by
12 the taxpayer for a qualified apprenticeship program in the
13 taxable year; provided that:

14 (1) The total tax credit claimed per qualified

15 apprenticeship program shall not exceed

16 \$ per taxable year; and



1 (2) The aggregate amount of tax credits allowed under this
2 section shall not exceed \$ for all taxpayers
3 in any taxable year; provided that any taxpayer who is
4 not eligible to claim the credit in a taxable year due
5 to the \$ cap having been exceeded for that
6 taxable year shall be eligible to claim the credit in
7 the subsequent taxable year.

8 The taxpayer may apply the credit for the same qualified
9 apprenticeship program for up to two consecutive taxable years.

10 (c) If the tax credit under this section exceeds the
11 taxpayer's income tax liability, the excess of the credit over
12 liability may be used as a credit against the taxpayer's income
13 tax liability in subsequent years until exhausted. All claims
14 for the tax credit under this section, including amended claims,
15 shall be filed on or before the end of the twelfth month
16 following the close of the taxable year for which the credit may
17 be claimed. Failure to comply with this provision shall
18 constitute a waiver of the right to claim the credit.

19 (d) To qualify for the income tax credit, the taxpayer
20 shall be in compliance with all applicable federal, state, and
21 county statutes, ordinances, rules, and regulations.



1 (e) Every taxpayer claiming a tax credit under this
2 section shall file with the department of taxation a written,
3 certified statement from the department of labor and industrial
4 relations verifying that the apprenticeship program is a
5 qualified apprenticeship program and specifying the amount of
6 qualified costs incurred.

7 (f) The director of taxation:

8 (1) Shall prepare any forms necessary to claim a credit
9 under this section;

10 (2) May require the taxpayer to furnish information to
11 ascertain the validity of the claim for credit made
12 under this section; and

13 (3) May adopt rules under chapter 91 necessary to
14 effectuate the purposes of this section.

15 (g) No taxpayer that claims a credit under this section
16 shall claim any other credit for the same qualified costs under
17 this chapter.

18 (h) As used in this section:

19 "Qualified apprenticeship program" means an apprenticeship
20 program in the State that is registered and approved by the
21 department of labor and industrial relations.



1 "Qualified costs" means the wages paid to each apprentice."

2 SECTION 2. New statutory material is underscored.

3 SECTION 3. This Act shall take effect on July 1, 3000;

4 provided that this Act:

5 (1) Shall apply to taxable years beginning after December
6 31, 2025; and

7 (2) Shall be repealed on December 31, 2036.



Report Title:

Taxation; Apprenticeship Program Income Tax Credit; Qualified Apprenticeship Program; Qualified Costs

Description:

Establishes an apprenticeship program income tax credit for certain qualified costs incurred by a taxpayer for a qualified apprenticeship program. Sunsets 12/31/2036. Effective 7/1/3000. (HD3)

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