
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. The legislature finds that renters in Hawaii
2 face some of the highest housing and cost-of-living burdens in
3 the nation. Unlike homeowners, renters do not directly benefit
4 from property tax relief programs and are disproportionately
5 impacted by regressive taxes, including the general excise tax.
6 The legislature further finds that targeted, refundable renter
7 tax credits are an effective way to provide immediate relief to
8 lower-income households, support housing stability, and improve
9 economic security, particularly for families with dependents.

10 The purpose of this Act is to increase the income
11 eligibility limit and credit amount per exemption claimed for
12 the income tax credit for low-income household renters.

13 SECTION 2. Section 235-55.7, Hawaii Revised Statutes, is
14 amended by amending subsection (c) to read as follows:

15 "(c) Each taxpayer with an adjusted gross income of less
16 than [~~\$30,000~~] \$40,000 who has paid more than \$1,000 in rent
17 during the taxable year for which the credit is claimed may



1 claim a tax credit of [~~\$50~~] \$187 multiplied by the number of
2 qualified exemptions to which the taxpayer is entitled; provided
3 that each taxpayer sixty-five years of age or over may claim
4 double the tax credit; [~~and~~] provided further that a resident
5 individual who has no income or no income taxable under this
6 chapter may also claim the tax credit as set forth in this
7 section."

8 SECTION 3. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 3000, and
11 shall apply to taxable years beginning after December 31, 2025.



Report Title:

Low-Income Household Renters; Income Tax Credit; Income Eligibility Increase; Credit per Exemption

Description:

Increases the income eligibility limit and credit amount per exemption claimed for the income tax credit for low-income household renters. Effective 7/1/3000. (HD3)

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