

Honolulu, Hawaii

MAR 06 , 2026

RE: H.B. No. 2429
H.D. 2

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Finance, to which was referred H.B. No. 2429, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAX EXPENDITURE EVALUATION,"

begs leave to report as follows:

The purpose of this measure is to require tax expenditure disclosure to, and evaluation by, the Department of Business, Economic Development, and Tourism for certain income tax credits and general excise and use tax exemptions.

Your Committee received comments on this measure from the Department of Taxation; Department of Business, Economic Development, and Tourism, including its Creative Industries Division; and Tax Foundation of Hawai'i.

Your Committee has amended this measure by:

- (1) Requiring taxpayers who claim certain tax credits and general excise and use tax exemptions to submit certain information to the Department of Business, Economic Development, and Tourism in order to claim the credit or exemption; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2429, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2429, H.D. 2.

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



CHRIS TODD, Chair



