

Honolulu, Hawaii
, 2026

FEB 20

RE: H.B. No. 2444
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 Economic Development & Technology, to which was referred H.B. No. 2444, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to increase the income tax credit for low-income household renters from \$50 to \$100 per exemption claimed by the taxpayer.

Your Committee received testimony in support of this measure from Catholic Charities Hawai'i; Hawai'i Children's Action Network Speaks!; and two individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that renters in Hawaii face some of the highest housing and cost-of-living burdens in the country and often lack access to property tax relief programs provided to homeowners. Your Committee further finds that refundable renter tax credits are an effective way to provide financial relief to lower-income households. However, your Committee recognizes that the income tax credit for low-income household renters has not kept up with inflation and was last updated in 1981. This measure therefore updates this tax credit to better reflect current



housing costs and provide critical relief to severely cost-burdened renters in the State.

Your Committee has amended this measure by:

- (1) Increasing the income tax credit for low-income household renters to \$170 per exemption; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2444, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 2444, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Technology,



GREGGOR ILAGAN, Chair



