

A Bill for an Act Relating to Income Tax Exclusion for Vietnam Prisoners of War.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 235-2, Hawaii Revised Statutes, is hereby amended to read as follows:

“Sec. 235-2 Same; “Internal Revenue Code.” “Internal Revenue Code” means the Internal Revenue Code of 1954 as it applies to the determination of gross income, adjusted gross income, and taxable income, except those provisions of the Internal Revenue Code which pursuant to this chapter do not apply. For each taxable year specified in column 1 below the Internal Revenue Code meant is the Internal Revenue Code of 1954 as amended as of June 7, 1957 and as further amended by the acts of Congress, or portions thereof, enumerated in column 2 (section numbers in column 2 are inclusive). Amendments to the Code not herein enumerated shall not be operative for the purposes of this chapter unless specifically adopted.

Column 1

Taxable year beginning on or after January 1, 1958, or which in whole or in part is governed by this chapter pursuant to the provisions of Act 1 of the Special Session Laws of 1957, and subsequent taxable years.

Taxable year beginning on or after January 1, 1959, or beginning in 1958 but ending on or after June 30, 1959, and subsequent taxable years.

Taxable year beginning on or after January 1, 1961, and subsequent taxable years.
 Taxable year beginning on or after January 1, 1962, and subsequent taxable years.
 Taxable years ending after December 31, 1962, but only

Column 2

Public Laws 85-165, 85-320, and 85-367; Public Law 85-866, Title I, sections 4-12, 19, 20 (with respect to sales, exchanges, and distributions made after December 31, 1957), 21, 22, 24, 25, 28, 29 (the provisions of section 29 being applicable as agreed upon in connection with the consent of the department of taxation to the change in the method of accounting, and reading "the first taxable year beginning after December 31, 1953, and ending after August 16, 1954" as "the first taxable year governed by the Income Tax Law of 1957"), 34, 35, 37(c), 38, 43-48, 52(b), 53, 55, 95, and 97.

Public Law 85-866, Title I, sections 2 (with respect to obligations acquired after December 31, 1957), 3 (with respect to amounts received as a statutory subsistence allowance for a period after September 30, 1958), 13, 15 (with respect to the costs and improvements there designated), 17, 23, 26, 27, 30 (the provisions of section 30 being applicable to the extent they relate to deductions for contributions and gifts), 37(b) and (d), 39, 49, 50, 51, 52(a), 54, 57(a), 58 (with respect to the amounts there designated), 101 (with respect to taxable years of regulated investment companies beginning on or after March 1, 1958), Title II, sections 202, 204 (with respect to property acquired by purchase after December 31, 1958).

Public Law 86-564, Title III, section 302.

Public Law 87-834, sections 22 and 28.

Public Law 87-834, section 4.

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in respect of periods after December 31, 1962.

Taxable year beginning on or after January 1, 1963, and subsequent taxable years.

Taxable year beginning on or after January 1, 1965.

Public Law 87-834, sections 13 and 21;

Public Law 87-863, section 2.

Public Law 86-376, section 1(a);

Public Law 86-470, section 3(a);

Public Law 86-594, section 1; Pub-

lic Law 86-779, sections 6(a), (b),

and (c), 7(a) and (b); Public Law

87-256, section 110(a);

Public Law 87-834, section 3(a);

Public Law 87-858, section 2(a)

and (b);

Public Law 87-863, section 1(a)

and (b);

Public Law 88-4, section 1; Public

Law 88-272, sections 203(d) (with

respect to dispositions of elevators

and escalators made in taxable

years beginning on or after January

1, 1965), 204(a) (with respect to

group-term life insurance provided

in taxable years beginning on or

after January 1, 1965), 205(a) (with

respect to amounts attributable to

periods of absence beginning on or

after January 1, 1965), 206(a) and

(b)(2)(3) and (4) (with respect to

sales on or after January 1, 1965),

207(a), (b)(1)(2)(3), and (c)(2),

208(a) (with respect to losses sus-

tained in taxable years beginning on

or after January 1, 1965), 211(a),

212(a), 213(a) and (b) (with respect

to expenses incurred in taxable

years beginning on or after January

1, 1965), 217(a), 224(a), (b), and (c)

(with respect to certain deferred

payments on sales or exchanges of

property occurring in taxable years

beginning on or after January 1,

1965), 230(a) and (b) (with respect

to capital loss carryovers in taxable

years beginning on or after January

1, 1965, and further provided that

in the case of a taxpayer other than a corporation, there shall be treated

Taxable years ending after December 31, 1965 but only with respect to compensation for periods of active service after such date.

Taxable years ending after December 31, 1966, but only with respect to contributions made after such date.

Taxable years beginning January 1, 1967.

Taxable year beginning on or after January 1, 1968.

Taxable years beginning on or after January 1, 1966.

as a short-term capital loss in the first taxable year beginning after December 31, 1964, any amount which is treated as a short-term capital loss in such year as in effect immediately before May 11, 1965), 231(a) and (b) (with respect to dispositions of certain depreciable realty in taxable years beginning on or after January 1, 1965); Public Law 88-554, section 1. Internal Revenue Code of 1954, section 112, as amended by Public Law 89-739.

Public Law 88-272, section 209, with the exceptions of section 209(c)(2) and section 209(f).

Public Law 90-78, section 1.

Public Law 87-792, sections 2, 3, 4, 6, 7(b), 7(c), 7(d), 7(e) and 7(f); Public Law 87-863, subsections 2(a) and (b); Public Law 89-809, sections 204 and 205.

Public Law 87-792, section 5. Internal Revenue Code, section 112(d), as added by Public Law 92-279.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.*

SECTION 3(a). This Act upon its approval shall apply to the taxable years stated in section 1 of this Act.

(b) If refund or credit of any overpayment for any taxable year resulting from the application of Internal Revenue Code section 112(d) as added by Public Law 92-279 (including interest, additions to the tax, and additional amounts) is prevented at any time before the expiration of the applicable period specified in subsection (c) by the operation of any law or rule of law, said refund or credit of overpayment may, nevertheless, be made or allowed if the claim is filed before the expiration of said applicable period specified in subsection (c).

*Edited accordingly.

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(c) For purposes of subsection (b), the applicable period for any individual with respect to any compensation is the period ending on whichever of the following days is the later:

- (1) the day which is one year after the date of the enactment of the Act,
or
- (2) the day which is 2 years after the date on which it is determined that the individual's missing status (within the meaning of section 112(d) of the Internal Revenue Code of 1954) has terminated for purposes of said section 112.

(Approved April 17, 1973.)