

ACT 78

S.B. NO. 237

A Bill for an Act Relating to Taxation.

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

SECTION 1. Section 235-54, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) In computing the taxable income of any individual, there shall be deducted, in lieu of the personal exemptions allowed by the Internal Revenue Code, personal exemptions computed as follows: Ascertain the number of exemptions which the individual can lawfully claim under the Internal Revenue Code and multiply that number by the amount as shown below for the corresponding taxable years as follows:

- [(1) Effective with respect to taxable years beginning after December 31, 1972, the amount shall be \$750;
- (2)] (1) Effective with respect to taxable years beginning after December 31, 1979, the amount shall be \$1,000.
- (2) Effective with respect to taxable years beginning after December 31, 1984, the amount shall be \$1,040.

A nonresident shall be entitled to the same personal exemptions as a resident, without proration of the personal exemptions on account of income from sources outside the State.”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act, upon its approval, shall apply with respect to taxable years beginning after December 31, 1984.

(Approved May 9, 1985.)