

DAVID Y. IGE
GOVERNOR

SHAN TSUTSUI
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

MARIA E. ZIELINSKI
DIRECTOR OF TAXATION

To: The Honorable Jill N. Tokuda, Chair
and Members of the Senate Committee on Ways and Means

Date: Tuesday, February 17, 2015
Time: 9:00 A.M.
Place: Conference Room 211, State Capitol

From: Maria E. Zielinski, Director
Department of Taxation

Re: S.B. 1136, Relating to Section 235-55.91, Hawaii Revised Statutes

The Department of Taxation (Department) supports S.B. 1136, an Administration measure intended to correct certain references in the Hawaii Revised Statutes (HRS) to specific provisions in the Internal Revenue Code (IRC).

Section 235-55.91, HRS, makes reference to Internal Revenue Code definitions of dependents. The Working Families Tax Relief Act of 2004, Public Law No. 108-311, moved those Internal Revenue Code references to dependents, cited by section 235-55.91(e), from section 152(a)(1) to (9) to section 152(a) to (d) of the IRC. This measure amends section 235-55.91 so that it references the IRC sections as they existed following the passage of the Working Families Tax Relief Act.

Thank you for the opportunity to provide comments.

TAXBILLSERVICE

126 Queen Street, Suite 304

TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Update references

BILL NUMBER: SB 1136; HB 967 (Identical)

INTRODUCED BY: SB by Kim by request; HB by Souki by request

BRIEF SUMMARY: Amends HRS section 235-91 to update references to a taxpayer who is a “dependent,” “a corporation,” or “estate or trust.”

EFFECTIVE DATE: Upon approval

STAFF COMMENTS: This is an administration measure submitted by the department of taxation TAX-07 (15). The Working Families Tax Relief Act of 2004, P.L. 108-311, moved the references in HRS section 235-91(e) from section 152(a)(1) to (9) to section 152(a) to (d) of the Internal Revenue Code, necessitating this update.

Digested 2/13/15