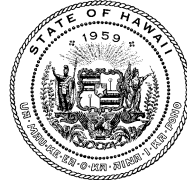


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To: The Honorable Ryan I. Yamane, Chair;
The Honorable Chris Todd, Vice Chair;
and Members of the House Committee on Water, Land, & Hawaiian Affairs

From: Rona M. Suzuki, Director
Department of Taxation

Re: **H.B. 2070, Relating to Land**
Date: Wednesday, February 5, 2020
Time: 9:00 A.M.
Place: Conference Room 325, State Capitol

The Department of Taxation (Department) appreciates the intent of this measure and provides the following comments regarding H.B. 2070.

H.B. 2070 requires counties to develop procedures to accept donations of private land that is damaged or likely to be damaged by natural disasters or climate change and creates a new tax deduction for donation of damaged lands. The measure is effective upon approval and applies to taxable years beginning after December 31, 2019.

The Department is unclear as to the provision that allows a “a nonrefundable charitable deduction.” Charitable deductions do not have a refundable or non-refundable status to them. The Department suggests that the word “nonrefundable” be deleted from the measure.

It is the Department’s experience that the term “fair market value” often results in confusion and tax appeals. To avoid this, the Department suggests requiring appraisals or using the county assessed value.

Finally, the Department notes that is able to administer this measure with its current effective date.

Thank you for the opportunity to provide comments.

HB-2070

Submitted on: 2/1/2020 7:09:52 AM

Testimony for WLH on 2/5/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Benton Kealii Pang, Ph.D.	Individual	Support	No

Comments:

HB-2070

Submitted on: 2/3/2020 6:51:11 PM

Testimony for WLH on 2/5/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
John Honda	Individual	Support	No

Comments:

HB-2070

Submitted on: 2/3/2020 11:35:30 PM

Testimony for WLH on 2/5/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Azuma Chrupalyk	Individual	Oppose	No

Comments: