

Honolulu, Hawaii

APR 09 2009

RE: H.B. No. 333
H.D. 2
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 333, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a refundable earned income tax credit equal to an unspecified percentage of the federal earned income tax credit for certain Hawaii residents;
- (2) Limit the interest that may be charged by a tax preparer for providing tax preparation services to clients who receive the state earned income tax credit;
- (3) Appropriate an unspecified amount from Temporary Assistance for Needy Families funds to fund the earned income tax credit; and
- (4) Appropriate an unspecified amount from general revenues to fund public service announcements to alert eligible taxpayers about the earned income tax credit.

Your Committee finds that an earned income tax credit will provide relief to low and middle income families. In addition, your Committee believes that imposing limits on the amount of interest that may be charged to prepare tax returns for taxpayers



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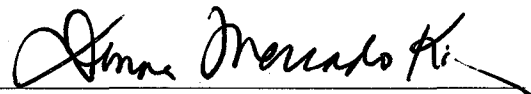
that receive the credit will protect these persons from excessive charges and ensure that they receive the maximum benefit from the state tax credit.

Your Committee has amended this measure by:

- (1) Appropriating funds from the federal funds allocated by the American Recovery and Reinvestment Act of 2009 or other federal stimulus acts, instead of from general revenues, to fund public service announcements related to the earned income tax credit;
- (2) Changing the amount of the appropriations to \$1; and
- (3) Changing the effective date to July 1, 2090, to facilitate further discussion; and
- (4) Repealing this measure on July 1, 2011.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 333, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 333, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,




DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 333 HD2SD1	HMS, WAM	APRIL 6 2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
		<input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
GALUTERIA, Brickwood	/			
HEE, Clayton	/			
HOOSER, Gary L.	/			
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred			/	
TOTAL	11		1	
Recommendation:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes