

STAND. COM. REP. NO.

595

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 199
S.D. 1

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 S.B. No. 199 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to sunset and repeal various tax credits for taxable years beginning after December 31, 2010.

Testimony in support of this measure was submitted by one government agency and one individual. Testimony opposed to this measure was submitted by three government agencies, eighteen private organizations, and seven individuals. Comments on this measure were submitted by one government agency and three private organizations. The written testimony and comments may be reviewed on the Legislature's website.

Your Committee finds that this measure implements the consistent recommendations of the Tax Review Commission to minimize or eliminate all tax credits. Your Committee believes that the current conditions of the economy make the Tax Review Commission's recommendations particularly attractive.

Your Committee has revised this measure substantially without changing its substance. Your Committee has revised the contents of this measure by:



- (1) Setting out the full text of each of the tax credit laws listed in the bill, and applying the Ramseyer format to those sections to indicate that they are being repealed;
- (2) Recasting the language relating to carryovers under a repealed tax credit and legislative enactments of a tax credit, respectively, as new sections being added to chapter 235, Hawaii Revised Statutes, the state income tax law;
- (3) Changing the provisions relating to conflicts in repeal dates, to an uncodified section in the measure;
- (4) Making the language relating to the repeal date of the tax credits the effective date section of the measure; and
- (5) Changing the effective date of this measure to July 1, 2090, to facilitate further discussion.

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 S.B. No. 199, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 199, S.D. 1, and be placed on the calendar for Third Reading.

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

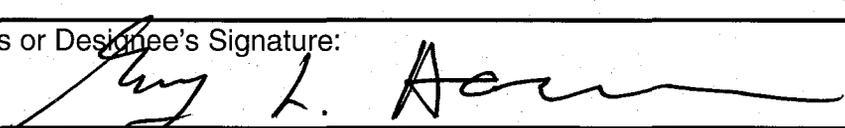


DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 199	WAM	MAR 4 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	8	2		2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes