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# A BILL FOR AN ACT

RELATING TO TAXATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 235-2.4, Hawaii Revised Statutes, is  
2 amended by amending subsection (e) to read as follows:  
3           "(e) Section 165 (with respect to losses) of the Internal  
4 Revenue Code shall be operative for purposes of this chapter,  
5 except that the amount prescribed by ~~[section]~~ Section 165(h)(1)  
6 (relating to the limitation per casualty) of the Internal  
7 Revenue Code shall be a \$100 limitation per casualty, and  
8 ~~[section 165(d) (with respect to wagering losses) [and]~~  
9 ~~sections]~~ Sections 165(h)(3)(A) and 165(h)(3)(B) (both of which  
10 relate to special rules for personal casualty gains and losses  
11 in federally declared disasters) of the Internal Revenue Code  
12 shall not be operative for the purposes of this chapter.  
13 Section 165 as operative for this chapter shall also apply to  
14 losses sustained from the sale of stocks or other interests  
15 issued through the exercise of the stock options or warrants  
16 granted by a qualified high technology business as defined in  
17 section 235-7.3."



1 SECTION 2. All acts passed by the legislature during this  
2 Regular Session of 2010 relating to section 235-2.4(e) of the  
3 Hawaii Revised Statutes, whether enacted before or after the  
4 effective date of this Act, shall be amended to conform to this  
5 Act unless such acts specifically provide that this Act is being  
6 amended.

7 SECTION 3. Statutory material to be repealed is bracketed  
8 and stricken. New statutory material is underscored.

9 SECTION 4. This Act shall take effect upon its approval  
10 and shall apply to taxable years beginning after December 31,  
11 2008.



**Report Title:**

Income Tax; Gambling Losses

**Description:**

Repeals the income tax provision that requires the reporting of gambling winnings but not losses. (HB2313 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

