

STAND. COM. REP. NO.

571

Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 1316
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1316 entitled:

"A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE,"

begs leave to report as follows:

The purpose and intent of this measure is to conform the state income tax law to the Internal Revenue Code by making conforming amendments based upon amendments to the Internal Revenue Code made in calendar year 2010.

Your Committee conducted a public decision making on a proposed draft of this bill, the purpose of which is also to make conforming amendments to the state income tax law based upon amendments to the Internal Revenue Code made in calendar year 2010. The provisions of the proposed draft implement the conforming amendments to several other sections of state tax law, as well as those made in the original measure.

Your Committee received testimony in support of the original measure from Frederick D. Pablo, Interim Director, Department of Taxation. Your Committee received comments on both the original measure and the proposed draft from the Tax Foundation of Hawaii.

Your Committee finds that the proposed draft makes amendments necessary to conform state income tax law with regard to the overall limitation on itemized deductions, deduction of sales tax, and election to expense certain depreciable business assets.

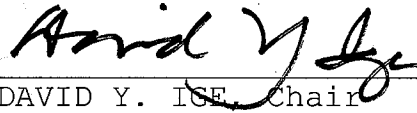
SB1316 SD1 SSCR LRB 11-2504.doc



Your Committee has amended this measure by replacing its contents with the contents of the proposed draft.

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. 1316, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1316, 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,

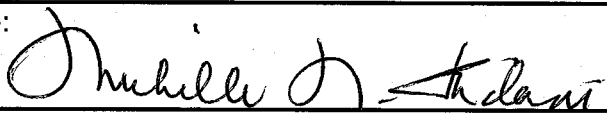


DAVID Y. ISE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 1316	Committee Referral: WAM	Date: 3-1-11		
<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
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.	/			
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado	/			
KAHELE, Gilbert	/			
KOUCHI, Ronald D.	/			
RYAN, Pohai	/			
TOKUDA, Jill N.	/			
WAKAI, Glenn	/			
SLOM, Sam			/	
TOTAL	13	0	1	0
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