

MAR 11 2016

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## SENATE RESOLUTION

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REQUESTING THE TAX REVIEW COMMISSION TO UPDATE THE STUDY OF THE  
DISTRIBUTION OF STATE AND LOCAL TAX BURDEN BY INCOME CLASS.

1 WHEREAS, it is anticipated that a Tax Review Commission  
2 will be convened pursuant to article VII, section 3, of the  
3 State Constitution; and  
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5 WHEREAS, the basic duties of the Commission are to evaluate  
6 the State's tax structure and recommend revenue and tax policy;  
7 and  
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9 WHEREAS, an issue that requires evaluation by the Tax  
10 Review Commission is the distribution of state and local tax  
11 burden by income class; and  
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13 WHEREAS, Professors Walter Miklius, James Moncur, and  
14 PingSun Leung published the study "Distribution of State and  
15 Local Tax Burden by Income Class" in 1989 for the Tax Review  
16 Commission; and  
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18 WHEREAS, the Miklius, et al., study is a seminal work on  
19 the incidence of the various state and county taxes and extent  
20 of progressivity or regressivity of the taxes; and  
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22 WHEREAS, data from the Miklius, et al., study continues to  
23 be cited in contemporary times, particularly the findings that  
24 approximately thirty per cent of the general excise tax revenues  
25 is exported to tourists and others and that the general excise  
26 tax is regressive; and  
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28 WHEREAS, the Miklius, et al., study is more than twenty-  
29 five years old; and  
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31 WHEREAS, more recent data of quality and relevance are  
32 needed for the Legislature and state administration to make the  
33 best decisions on revenue and tax policy; now, therefore,  
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35 BE IT RESOLVED by the Senate of the Twenty-eighth  
36 Legislature of the State of Hawaii, Regular Session of 2016,



1 that the Tax Review Commission is requested to conduct or  
2 commission a study updating the distribution of state and local  
3 tax burden by income class; and  
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5 BE IT FURTHER RESOLVED that the Tax Review Commission is  
6 requested to require the study to correspond as much as possible  
7 to the methodology of the 1989 study by Miklius, et al.,  
8 "Distribution of State and Local Tax Burden by Income Class," to  
9 enable a comparison of the findings of both studies; and  
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11 BE IT FURTHER RESOLVED that the Tax Review Commission is  
12 requested to submit the study to the Legislature and Governor  
13 with the Commission's Final Report under article VII, section 3,  
14 of the State Constitution; and  
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16 BE IT FURTHER RESOLVED that a certified copy of this  
17 Resolution be transmitted to the Chairperson of the Tax Review  
18 Commission.  
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OFFERED BY:

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