

STAND. COM. REP. NO.

1597

Honolulu, Hawaii

, 2019

MAR 22

RE: S.B. No. 301

S.D. 1

H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which  
was referred S.B. No. 301, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION OF REAL ESTATE  
INVESTMENT TRUSTS,"

begs leave to report as follows:

The purpose of this measure is to disallow any deduction from  
state income taxes for the dividends paid by real estate  
investment trusts.

The Church of the Crossroads, Hawaiian Community Assets,  
International Longshore and Warehouse Union Local 142, Black  
Development Corporation, Imperial Associates, LTD, C E & S Corp.,  
Kairos Energy Capital LLC, MRC West Inc, Tradewind Capital Group,  
Fergus & Company LLC, American Electric, IMUAlliance, Hawaii  
Children's Action Network, Sierra Club of Hawai'i, Americans for  
Democratic Action, League of Women Voters of Hawaii, Pono Hawai'i  
Initiative, Faith Action for Community Equity, Commercial  
Properties of Maui LLC, and numerous individuals testified in  
support of this measure. The Chamber of Commerce Hawaii, Land Use  
Research Foundation of Hawaii, OPTrust, Public Storage, Extra  
Space Storage Inc., Alexander & Baldwin, Brookfield Properties,  
Ala Moana Center, National Association of Real Estate Investment  
Trusts, Hawai'i Construction Alliance, Douglas Emmett, Inc.,

SB301 HD1 HSCR CPC HMS 2019-3300



Commercial Real Estate Development Association Hawaii Chapter, Park Hotels & Resorts, Inc., Hawai'i Association of REALTORS, Taubman Centers, Sunstone Hotel Investors, Inc., Pacific Resource Partnership, Hawaii Real Estate for American Assets Trust, The Shidler Group, General Contractors Association of Hawaii, Hawaii Laborers Union Local 368, and a few individuals testified in opposition to this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 301, S.D. 1, H.D. 1, and recommends that it be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROY M. TAKUMI, Chair



