

MAR 12 2021

SENATE RESOLUTION

REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND
TOURISM TO COMPILE A SHORT LIST OF FORTUNE 500 COMPANIES
THAT ARE SUITABLE TO RELOCATE TO HAWAII AND IDENTIFY MEANS
AND INCENTIVES TO ENTICE THESE COMPANIES TO RELOCATE.

1 WHEREAS, business activity and a strong economy are vital
2 to the public's health, safety, and welfare; and
3

4 WHEREAS, the economy of the State is largely dependent on
5 the tourism industry; and
6

7 WHEREAS, the effects of the coronavirus disease 2019
8 (COVID-19) pandemic and resulting job losses in the tourism
9 sector of the economy have demonstrated the urgent need for
10 business diversification in the State; and
11

12 WHEREAS, the COVID-19 pandemic has shown that many jobs and
13 businesses can be done from virtually anywhere with an internet
14 connection; and
15

16 WHEREAS, business leaders must consider economic
17 development opportunities, business climate, tax friendliness,
18 and quality of life in determining the location for their
19 operations; and
20

21 WHEREAS, the State consistently ranks among the top states
22 in the country for clean air quality, happiness of its citizens,
23 life expectancy, good weather, and overall quality of life; and
24

25 WHEREAS, given the advances in technology and the way
26 business is conducted in the modern age, there are more reasons
27 for a company to relocate to Hawaii than ever before; and
28

29 WHEREAS, some incentives that other states have used to
30 entice companies to relocate are:
31

- 32 (1) Indiana offers a credit against corporate income tax
33 liability where the credit can be up to fifty percent
34 of a corporation's approved costs in relocating to



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- 1 Indiana; provided that \$50,000,000 in new investment
2 and seventy-five new employees are required;
3
- 4 (2) Mississippi offers incentives for national and
5 regional relocation of headquarters between \$500 and
6 \$2,000 per new job for a period of up to five years;
7
- 8 (3) South Carolina has a twenty percent credit against
9 corporate income tax liability, based on the cost of
10 the portion of the facility dedicated to headquarters
11 operation or direct lease costs for the first five
12 years of operation;
13
- 14 (4) Tennessee provides a refundable tax credit for
15 relocation expenses resulting from a move where the
16 credit can be used to offset franchise or excise tax
17 liability in the year earned; provided that the tax
18 liability is less than the credit, the difference is
19 refunded in cash;
20
- 21 (5) Florida's discretionary grant funding may be available
22 so long as fifty jobs are created in a three-year
23 period and an investment of at least \$50,000,000 is
24 made;
25
- 26 (6) West Virginia offers a credit of up to ten percent of
27 the company's qualified investment to offset corporate
28 income and business franchise tax liability for up to
29 thirteen years;
30
- 31 (7) Wisconsin provides a refundable business tax credit
32 based upon a percentage of wages paid to eligible
33 headquarter employees and, in addition to
34 reimbursement of up to fifty percent of training
35 costs, the company can earn credits for up to three
36 percent of capital investment in personal property and
37 up to five percent of investment in real property
38 provided that a new investment of \$1,000,000 is
39 required;
40
- 41 (8) Kentucky provides income tax credits to both regional
42 and national headquarter firms that can offset up to



