

Honolulu, Hawaii
February 14, 2014

RE: H.B. No. 1808
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred H.B. No. 1808 entitled:

"A BILL FOR AN ACT RELATING TO INCOME TAX CREDITS,"

begs leave to report as follows:

The purpose of this measure is to assist low-income households by:

- (1) Increasing the income threshold to claim the low-income household renter tax credit from \$30,000 to \$59,700;
- (2) Increasing the tax credit from \$50 to \$146; and
- (3) Adjusting the credit for inflation for taxable years after December 31, 2014.

PHOCUSED; Catholic Charities Hawai'i; Partners in Care; Hawaiian Community Assets; Hawai'i Appleseed Center for Law and Economic Justice; Americans for Democratic Action Hawaii; Blueprint for Change; Goodwill Industries of Hawaii, Inc.; Hawaii State Commission on the Status of Women; and several concerned citizens supported this bill. The Department of Taxation and Tax Foundation of Hawaii provided comments on the measure.



Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, and inserting a blank date for the taxable years to which it applies to facilitate discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully notes that as this tax credit has not been amended since 1981, should your Committee on Finance choose to hear this measure and should there be moneys available, your Committee respectfully requests that your Committee on Finance give this measure due consideration.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1808, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1808, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Human Services,


MELE CARROLL, Chair



