

JAN 19 2023

A BILL FOR AN ACT

RELATING TO TAXATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 235-110.51, Hawaii Revised Statutes, is
2 amended by amending subsections (h) and (i) to read as follows:

3 "(h) The tax credit allowed under this section shall not
4 be available for taxable years [~~beginning~~]:

5 (1) Beginning after December 31, 2010[-], and ending
6 before January 1, 2023; or

7 (2) Beginning after December 31, 2025.

8 (i) As used in this section:

9 "Data server" means a computer system used to hold large
10 amounts of electronic data and provide database management and
11 access services to client computers on a computer network.

12 "Net income tax liability" means income tax liability
13 reduced by all other credits allowed under this chapter.

14 "Renovation costs" means costs incurred after December 31,
15 2000, to plan, design, install, construct, and purchase
16 technology-enabled infrastructure equipment to provide a
17 commercial building with technology-enabled infrastructure.



1 "Technology-enabled infrastructure" means:

2 (1) Either:

3 (A) High speed telecommunications systems that
4 provide Internet access, direct satellite
5 communications access, and videoconferencing
6 facilities; or

7 (B) Data servers;

8 (2) Physical security systems that identify and verify
9 valid entry to secure spaces, detect invalid entry or
10 entry attempts, and monitor activity in these spaces;

11 (3) Environmental systems to include heating, ventilation,
12 air conditioning, fire detection and suppression, and
13 other life safety systems; and

14 (4) Backup and emergency electric power systems."

15 SECTION 2. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 3. This Act, upon its approval, shall apply to
18 taxable years beginning after December 31, 2022.

19 INTRODUCED BY: Tanner H. White



S.B. NO. 302

Report Title:

Technology infrastructure renovation tax credit; reinstatement;
data servers

Description:

Temporarily reinstates the technology infrastructure renovation tax credit. Expands the definition of "technology-enabled infrastructure" to include data servers.

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