

STAND. COM. REP. NO.

535

Honolulu, Hawaii

Feb 16, 2007

RE: H.B. No. 1409
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Human Services & Housing, to which was referred H.B. No. 1409 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to provide tax relief for households with dependents by:

- (1) Providing an additional personal exemption for dependents age 18 or younger of families with a federal adjusted gross income of \$200,000 or less; and
- (2) Increasing the dependent care employment-related expense credit expenditure ceiling to \$5,000 per dependent.

This bill also makes housekeeping amendments to conform to the Internal Revenue Code.

The State Administration and the Department of Taxation testified in support of this bill.

Under this bill, households would receive a \$1,000 exemption for each dependent 18 or younger when the adjusted gross income is \$100,000 or less. For households with adjusted gross incomes of between \$100,001 to \$200,000, the exemption per dependent is \$500.

HB1409 HD1 HSCR HSH HMS 2007-2159



Your Committee has amended this bill by:

- (1) Lowering the adjusted gross income limit from \$200,000 to \$150,000 for households to qualify for the exemption; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services & Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1409, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1409, H.D. 1, and be referred to the Committee on Finance.

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




MAILE SHIMABUKURO, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Human Services & Housing

Bill/Resolution No.: HB 1409		Date: 2/12/07		
Committee Referral: HSH, FIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration				
HSH Members	Ayes	Ayes (WR)	Nays	Excused
1. SHIMABUKURO, Maile S. L. (C)	✓			
2. RHOADS, Karl (VC)		✓		
3. BELATTI, Della Au	✓			
4. BERTRAM, Joe, III	✓			
5. CABANILLA, Rida T.R.	✓			
6. GREEN, Josh, M.D.	✓			
7. MIZUNO, John		✓		
8. TAKAI, K. Mark	✓			
9. TOKIOKA, James Kunane	✓			
10. AWANA, Karen Leinani	✓			
11. WARD, Gene, Ph.D.	✓			
TOTAL	7	2		
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office				