

HI H 2005, House Draft 2

Hawaii

SUMMARY: Provides that to qualify for the motion picture, digital media, and film production income tax credit, a production shall, among other things, provide complete responses to the Department of Taxations inquiries and document requests, provided that a taxpayer shall be given notice of and an opportunity to cure any failure to meet specified requirements.~SAME AS:

Changes in Bill text reflected as:

~~Text Deleted~~

Text Added

~~Text Vetoed~~

Current Legislative Status

01/19/2024 INTRODUCED.

01/24/2024 To HOUSE Committee on ECONOMIC DEVELOPMENT.

01/24/2024 Subsequent referral set for: HOUSE Committee on FINANCE.

02/02/2024 In Committee: Hearing Scheduled.

02/07/2024 In HOUSE Committee on ECONOMIC DEVELOPMENT: Voted do pass with amendment.

02/12/2024 From HOUSE Committee on ECONOMIC DEVELOPMENT: Do pass as amended (HD1).

02/12/2024 In HOUSE. Read second time. Committee amendment adopted. House Draft 1.

02/12/2024 To HOUSE Committee on FINANCE.

02/20/2024 In Committee: Hearing Scheduled.

02/22/2024 In HOUSE Committee on FINANCE: Voted do pass with amendment.

03/01/2024 From HOUSE Committee on FINANCE: Do pass as amended (HD2).

03/01/2024 Forty-eight (48) hours notice.

03/05/2024 In HOUSE. Committee amendment adopted on third reading. House Draft 2.

03/05/2024 In HOUSE. Read third time. Passed HOUSE. *****To SENATE.

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session: Hawaii The 32nd Legislature

cite: 2023 HI H 2005

House Draft 2

March 1, 2024

Lamosao

HOUSE OF REPRESENTATIVES

H.B. NO.

2005

THIRTY-SECOND LEGISLATURE, 2024

H.D. 2

STATE OF HAWAII

A BILL FOR AN ACT

RELATING TO TAXES.

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

SECTION 1. Section 235-17, Hawaii Revised Statutes, is amended by amending subsection (d) to read as follows:

"(d) To qualify for this tax credit, a production shall:

- (1) Meet the definition of a qualified production specified in subsection (o);
- (2) Have qualified production costs totaling at least \$100,000;
- (3) Provide the State a qualified Hawaii promotion, which shall be at a minimum, a shared-card, end-title screen credit, where applicable;
- (4) Provide evidence of reasonable efforts to hire local talent and crew;
- (5) Provide evidence when making any claim for products or services acquired or rendered outside of this State that reasonable efforts were unsuccessful to secure and use comparable products or services within this State;
- (6) Provide evidence of financial or in-kind contributions or educational or workforce development efforts, in partnership with related local industry labor organizations, educational institutions, or both, toward the furtherance of the local film and television and digital media industries;
- (7) Be compliant with all applicable requirements under title 14, including tax return filing and payments; and
- (8) Provide complete responses to the department of taxation's inquiries and document requests, in the form prescribed by the department, no later than ninety days from the inquiry or request ;

provided that a taxpayer shall be given notice of and an opportunity to cure any failure to meet the requirements of this subsection; provided further that nothing in this subsection shall be interpreted as waiving any criteria required in this section to claim the tax credit.

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

SECTION 3. This Act shall take effect on July 1, 3000, and shall apply to taxable years beginning after December 31, 2023.

Motion Picture, Digital Media, and Film Production Income Tax Credit; Cure

Description:

Requires taxpayers be given notice of and an opportunity to cure any failure to meet the requirements for the tax credit. Effective 7/1/3000. (HD2)