

**TAX REVIEW COMMISSION 2025-2027**

**Meeting Minutes,**  
**Monday, April 20, 2026**

Virtual Meeting

Meeting was held virtually and video recorded.

Recorded Video Link: <https://www.youtube.com/watch?v=x5BxiAuzRKg>

Monday, April 20, 2026

2:30 p.m.

**PRESENT:**

Commission Members:

Jonathan White (Chair), Judith Chock (Vice-Chair), Jessica Enos, Mark Fukunaga, Stacey Katakura and Jeffrey Ueoka

Staff Members:

Department of Taxation (DOTAX): TRC Executive Director Dr. Baybars Karacaovali (DOTAX Tax Research & Planning Officer) and Roderick Tuliao (Administrative Assistant); Emill Acosta (Administrative Services Office)

Attorney General's Office:

Deputy Attorney General Cynthia Johiro

**CALL TO ORDER**

Chair White called the meeting to order at 2:30 p.m. A quorum was present.

**Roll Call:**

<b>Mr. Jonathan White</b>	<b>Present</b>
<b>Ms. Judith Chock</b>	<b>Present</b>
<b>Ms. Jessica Enos</b>	<b>Present</b>
<b>Mr. Mark Fukunaga</b>	<b>Present</b>
<b>Ms. Stacey Katakura</b>	<b>Present</b>
<b>Mr. Jeffrey Ueoka</b>	<b>Present</b>

## **COMMUNICATIONS TO THE COMMISSION AND PUBLIC COMMENT**

Chair White asked if there was any communication to the Tax Review Commission (TRC).

Dr. Karacaovali said there was no communication received.

Chair White allowed time for comments from the public, no comments were received from the public.

## **MINUTES OF THE MEETING OF APRIL 1, 2026**

Chair White called for a motion to approve the minutes.

**It was moved by Mr. Ueoka and seconded by Mr. Yasuda that the minutes of the April 1st meeting be accepted. The Chair called for the vote, and the motion passed with the following votes:**

<b>Mr. Jonathan White</b>	<b>Yes</b>
<b>Ms. Judith Chock</b>	<b>Yes</b>
<b>Ms. Jessica Enos</b>	<b>Yes</b>
<b>Mr. Mark Fukunaga</b>	<b>Yes</b>
<b>Stacey Katakura</b>	<b>Abstain</b>
<b>Mr. Jeffrey Ueoka</b>	<b>Yes</b>

## **REPORT FROM THE EVALUATION COMMITTEE REGARDING THE HIRING OF CONSULTANTS**

Dr. Karacaovali started the report from the evaluation committee by sharing his screen for the Commission which contained the following:

Project Topic 1: Competitiveness

Identification of opportunities to make Hawaii's tax system more competitive while maintaining current revenue collections

1. Must include:

- An empirical analysis of Hawaii's current competitiveness of its tax code in supporting economic growth and per capita income growth versus those of other states. The analysis should evaluate not only overall economic performance, but also whether Hawaii's tax structure promotes outcomes that are meaningful to residents, businesses, and long-term economic sustainability.

- Empirically supported tax policies, including working examples from other states, to support and encourage economic and income growth. The analysis should identify which practices have been effective elsewhere, explain the conditions under which they succeeded, and assess whether those approaches are realistically transferable or adaptable to Hawaii's unique economic, geographic, and fiscal circumstances.

- An empirical analysis of current or potential tax policies that would limit economic and income growth. This should include consideration of structural features of the tax system, compliance burdens, administrative complexity, or other policy design elements that may discourage investment, business activity, workforce retention, or broader economic opportunities in Hawai'i.

2. Must include:

- Analysis of the cost and strategic value of select tax credits and incentives:

- Including low-income housing tax credit, opportunity zone incentives, enterprise zone incentives, and the Hawai'i Film Credit, and others at the selection of the applicant. The purpose of this analysis is to determine whether such tax incentives are producing measurable economic value, whether they are aligned with Hawaii's policy goals, and whether their design could be improved to better support economic and income growth

- Proposals to better deploy the identified cost of these selected tax credits and incentives to encourage economic growth. Where feasible, the analysis should also consider whether those resources could be better targeted to support per capita income growth, affordability, workforce stability, housing production, or other outcomes of direct benefit to Hawai'i residents.

- A framework for evaluating the economic growth value of existing and proposed tax credits and incentives and corrective actions for ineffective tax credits and incentives (e.g., regular reviews, sunseting, etc.) The framework should be designed to assist policymakers in distinguishing between incentives that produce measurable public benefit and those that do not.

3. Must consider:

- Working within the constraint of maintaining current tax revenues. The analysis should recognize the State's need to preserve fiscal stability while identifying opportunities to improve competitiveness and support long-term economic growth.

- Stability and variety of current and proposed revenue source(s). Recommendations should take into account not only potential growth effects, but also whether proposed changes would create undue volatility, overreliance on narrow tax bases, or unintended long-term fiscal risk.

- Hawaii's balanced budget requirement. Recommendations should therefore be realistic, durable and mindful of budgetary constraints.

- Department of Taxation resources in administering tax collections.

Recommendations should be sensitive to implementation challenges, enforcement burdens, data limitations, and the practical cost of administering more complex or highly specialized tax provisions.

Ms. Chock and Mr. Fukunaga presented the report to the Commission highlighted in slides provided by Dr. Karacaovali.

Chair White asked the Commission committee if there was an update regarding UHERO.

Mr. Fukunaga responded that he has spoken with Dr. Bonham from UHERO to see if they would be interested in doing a tax study for the TRC.

Mr. Fukunaga said that UHERO would be interested and able to provide that service for the TRC if hired.

Mr. Fukunaga also wanted to let the commission know that their meeting was not in an official context.

**BRIEF PRESENTATION BY DR. BAYBARS KARACAOVALI PROVIDING  
BACKGROUND INFORMATION FROM PREVIOUS TRC WORK ON THE TOURISM  
AND TRANSIENT ACCOMMODATIONS TAX TOPIC AS WELL AS HOUSING  
AFFORDABILITY TOPIC**

Chair White started the with giving a recap of the previous meeting.

Dr. Karacaovali shared his screen for the Commission which highlighted the following

Other Topics Under Consideration

2. Tourism Empirical analysis of the effect of the transient accommodations tax, including the effect of rate changes on:

- Total visitors to Hawaii
- Total transient accommodations tax collections
- Total spending by all visitors to Hawai'i
- Total spending per visitor to Hawai'i
- Identification of other metrics
- Impact of other taxes, comparative rate effects

• Income tax from visitors This analysis may include alternative ways to structure Hawaii's taxes to target tourism while sustaining and growing the metrics listed above.

3. Housing Affordability Provide proposals to conduct a review of federal and state tax policies targeting affordable housing in Hawaii to deliver findings that may be developed into actionable policy recommendations. 33. Housing Affordability

- To include an evaluation of:
  1. the number and type of affordable housing units produced.
  2. the cost-effectiveness of the public subsidy per unit.
  3. the income levels and demographic characteristics of households served.

4. geographic distribution of outcomes, including analysis of whether benefits are equitably distributed across communities; and
  5. long-term affordability and housing stability outcomes where data permit.
3. Housing Affordability
- To consider:
    1. A comparative analysis across jurisdictions of the effectiveness of the application of the federal tax policies.
    2. Tax Increment Financing
    3. Community Facilities District

Chair White asked the Commission members for a motion to move forward on tourism and RFP or request for professional services.

Ms. Enos moved to continue the tourism topic of discussion and to have an RFP.

Ms. Katakura seconded to continue the tourism topic of discussion and to have an RFP.

Chair White called for a vote and was approved by Commission members.

**A motion was made by Ms. Enos to continue the tourism topic of discussion and to have an RFP and Ms. Katakura seconded the motion. The Chair called for the vote and the motion passed with the following votes:**

<b>Mr. Jonathan White</b>	<b>Yes</b>
<b>Ms. Judith Chock</b>	<b>Yes</b>
<b>Ms. Jessica Enos</b>	<b>Yes</b>
<b>Mr. Mark Fukunaga</b>	<b>Yes</b>
<b>Mr. Jeffrey Ueoka</b>	<b>Yes</b>
<b>Mr. Jon Yasuda</b>	<b>Yes</b>

### **15 MINUTE BREAK**

Chair White at 3:30pm called for a 15-minute break and asked each Commission member to turn off their microphones, turn off their cameras, and avoid discussing any TRC business during the 15-minute break.

Commission members returned from their 15-minute break at 3:45pm to continue the meeting.

## **CONT. DISCUSSION OF TOPICS FOR THE COMMISSION TO FOCUS ON AND HIRING OF CONSULTANTS**

Chair White asked Mr. Ueoka to discuss his additions to the previous slides provided earlier in the meeting.

Mr. Ueoka addressed federal and state tax policies targeting affordable housing regarding a study of what's being produced and the cost effectiveness of the public subsidy per unit.

Chair White asked the Commission if they would be willing to move forward with affordable housing.

Ms. Katakura suggested that it might be worth looking into but as of now the wording is a bit broad.

Chair White said that if the competitiveness topic captures enough of the tax aspects of the income housing that would be one solution for affordable housing.

Chair White asked the Commission if there was any other questions for Dr. Karacaovali regarding the procedures for obtaining a consultant.

Mr. Fukunaga asked the Commission and Dr. Karacaovali if there were any recommendations for consultants that he or Ms. Chock should contact.

There was no recommendations at the moment.

## **DISCUSSION ON THE NEXT MEETING AGENDA**

Chair White asked for the three topics to be discussed internally and not limiting themselves to one of the three for the next agenda.

## **SCHEDULING OF THE NEXT MEETING**

The Tax Review Commission agreed to meet on Tuesday, May 26, 2026, at 2:00 p.m. It will be a virtual meeting.

## **ADJOURNMENT:**

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The Chair White adjourned the meeting at 4:29 p.m.