

PRESENTATION FOR COUNCIL ON REVENUES

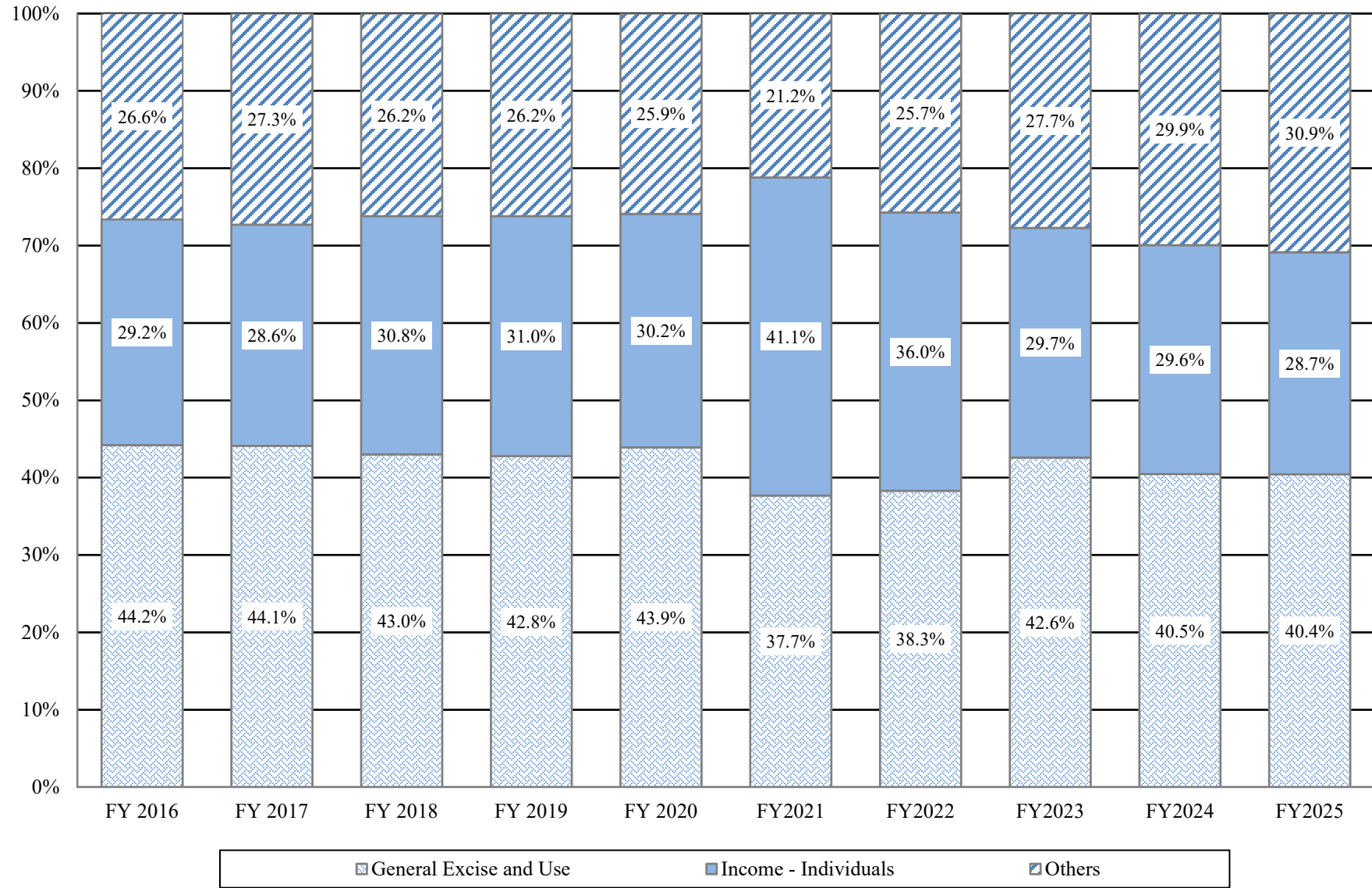
General Fund Forecast Meeting (FY 2026 to FY 2032)

May 21, 2026

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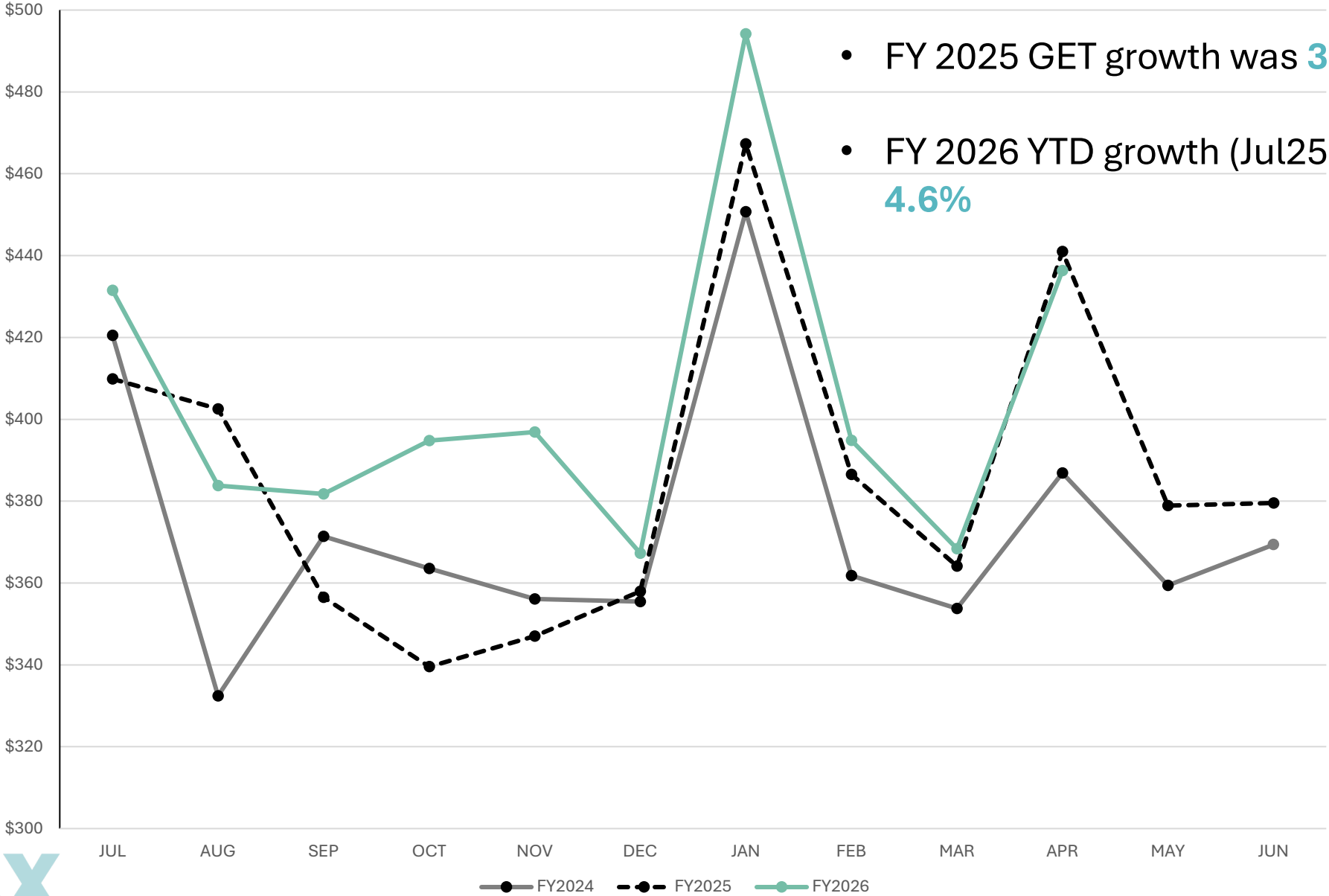
Tax Revenue Composition* Fiscal Years 2016 - 2025



*Details may not add to totals due to rounding.



General Excise & Use Tax Collections (\$ Million)



- FY 2025 GET growth was **3.3%**
- FY 2026 YTD growth (Jul25-Apr26) is **4.6%**



Individual Income Tax Collections (\$ Million)



- FY 2025 IIT growth was **0.2%**

- FY 2026 YTD growth (Jul25-Apr26) is **-5.7%**



Major Tax-Related Measures Passed by the 2024 Legislature and Enacted into Law

Estimates of General Fund Tax Revenue Gain or (Loss)

(Dollar amounts are in \$ millions)

Act Number	Description	General Fund Revenue Gain (or Loss)						
		FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Act 46, SLH 2024	Individual Income Tax Cut. Increases the standard deduction amounts, with amendments taking effect in tax years 2024, 2026, 2028, 2030, and 2031. Act 46 also amends the income tax brackets by increasing the income limits in each bracket, with amendments taking effect in tax years 2025, 2027, and 2029.	(\$240.3)	(\$596.6)	(\$740.1)	(\$922.7)	(\$1,052.6)	(\$1,262.3)	(\$1,347.5)
Act 47, SLH 2024	GET Exemption. Exempts medical services provided by health care providers to patients who receive Medicaid, Medicare, or TRICARE benefits from the general excise tax. Applies to taxable years beginning 1/1/2026.	\$0.0	(\$33.6)	(\$77.5)	(\$81.0)	(\$84.5)	(\$88.2)	(\$92.1)
Total		(\$240.3)	(\$630.2)	(\$817.6)	(\$1,003.7)	(\$1,137.1)	(\$1,350.5)	(\$1,439.6)

ACT 46, SLH 2024

STANDARD DEDUCTION CHANGES

	CY2023	CY2024		CY2026		CY2028		CY2030	CY2031
Single	\$2,200	\$4,400		\$8,000		\$9,000		\$10,000	\$12,000
Joint	\$4,400	\$8,800		\$16,000		\$18,000		\$20,000	\$24,000
HH	\$3,212	\$6,424		\$12,000		\$13,500		\$15,000	\$18,000

TAX BRACKET CHANGES	CY2025	CY2027	CY2029



2019-2024 TAX SCHEDULE

Tax Brackets	Marginal Tax Rate	Single/MFS Taxable Income		Joint/Widow(er) Taxable Inc.		Head of HH Taxable Income	
		Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)
Tax Bracket 1	1.40%		\$2,400		\$4,800		\$3,600
Tax Bracket 2	3.20%	\$2,400	\$4,800	\$4,800	\$9,600	\$3,600	\$7,200
Tax Bracket 3	5.50%	\$4,800	\$9,600	\$9,600	\$19,200	\$7,200	\$14,400
Tax Bracket 4	6.40%	\$9,600	\$14,400	\$19,200	\$28,800	\$14,400	\$21,600
Tax Bracket 5	6.80%	\$14,400	\$19,200	\$28,800	\$38,400	\$21,600	\$28,800
Tax Bracket 6	7.20%	\$19,200	\$24,000	\$38,400	\$48,000	\$28,800	\$36,000
Tax Bracket 7	7.60%	\$24,000	\$36,000	\$48,000	\$72,000	\$36,000	\$54,000
Tax Bracket 8	7.90%	\$36,000	\$48,000	\$72,000	\$96,000	\$54,000	\$72,000
Tax Bracket 9	8.25%	\$48,000	\$150,000	\$96,000	\$300,000	\$72,000	\$225,000
Tax Bracket 10	9.00%	\$150,000	\$175,000	\$300,000	\$350,000	\$225,000	\$262,500
Tax Bracket 11	10.00%	\$175,000	\$200,000	\$350,000	\$400,000	\$262,500	\$300,000
Tax Bracket 12	11.00%	\$200,000		\$400,000		\$300,000	

ACTUAL 2025-2026 TAX SCHEDULE - ACT 46

Tax Brackets	Marginal Tax Rate	Single/MFS Taxable Income		Joint/Widow(er) Taxable Inc.		Head of HH Taxable Income	
		Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)
Tax Bracket 1	1.40%		\$9,600		\$19,200		\$14,400
Tax Bracket 2	3.20%	\$9,600	\$14,400	\$19,200	\$28,800	\$14,400	\$21,600
Tax Bracket 3	5.50%	\$14,400	\$19,200	\$28,800	\$38,400	\$21,600	\$28,800
Tax Bracket 4	6.40%	\$19,200	\$24,000	\$38,400	\$48,000	\$28,800	\$36,000
Tax Bracket 5	6.80%	\$24,000	\$36,000	\$48,000	\$72,000	\$36,000	\$54,000
Tax Bracket 6	7.20%	\$36,000	\$48,000	\$72,000	\$96,000	\$54,000	\$72,000
Tax Bracket 7	7.60%	\$48,000	\$125,000	\$96,000	\$250,000	\$72,000	\$187,500
Tax Bracket 8	7.90%	\$125,000	\$175,000	\$250,000	\$350,000	\$187,500	\$262,500
Tax Bracket 9	8.25%	\$175,000	\$225,000	\$350,000	\$450,000	\$262,500	\$337,500
Tax Bracket 10	9.00%	\$225,000	\$275,000	\$450,000	\$550,000	\$337,500	\$412,500
Tax Bracket 11	10.00%	\$275,000	\$325,000	\$550,000	\$650,000	\$412,500	\$487,500
Tax Bracket 12	11.00%	\$325,000		\$650,000		\$487,500	



Tax Brackets	Marginal Tax Rate	Number of Resident Returns				23-24
		Single/MFS	Joint/Wid	HoH	TOTAL	% of Total
Tax Bracket 1	1.40%	79,385	39,417	6,432	125,234	19.4%
Tax Bracket 2	3.20%	13,546	5,392	2,529	21,467	3.3%
Tax Bracket 3	5.50%	23,984	10,590	5,390	39,964	6.2%
Tax Bracket 4	6.40%	20,934	10,719	5,705	37,358	5.8%
Tax Bracket 5	6.80%	18,457	10,927	6,786	36,170	5.6%
Tax Bracket 6	7.20%	18,156	10,532	7,447	36,135	5.6%
Tax Bracket 7	7.60%	47,206	25,933	15,055	88,194	13.7%
Tax Bracket 8	7.90%	42,344	25,424	8,600	76,368	11.8%
Tax Bracket 9	8.25%	86,332	67,253	10,660	164,245	25.5%
Tax Bracket 10	9.00%	2,313	2,477	211	5,001	0.8%
Tax Bracket 11	10.00%	1,344	1,711	122	3,177	0.5%
Tax Bracket 12	11.00%	4,690	6,220	408	11,318	1.8%
		358,691	216,595	69,345	644,631	100.0%

Tax Brackets	Marginal Tax Rate	Number of Resident Returns				25-26
		Single/MFS	Joint/Wid	HoH	TOTAL	% of Total
Tax Bracket 1	1.40%	116,915	55,399	14,351	186,665	29.0%
Tax Bracket 2	3.20%	20,934	10,719	5,705	37,358	5.8%
Tax Bracket 3	5.50%	18,457	10,927	6,786	36,170	5.6%
Tax Bracket 4	6.40%	18,156	10,532	7,447	36,135	5.6%
Tax Bracket 5	6.80%	47,206	25,933	15,055	88,194	13.7%
Tax Bracket 6	7.20%	42,344	25,424	8,600	76,368	11.8%
Tax Bracket 7	7.60%	81,496	62,727	10,323	154,546	24.0%
Tax Bracket 8	7.90%	7,149	7,003	548	14,700	2.3%
Tax Bracket 9	8.25%	2,177	2,919	220	5,316	0.8%
Tax Bracket 10	9.00%	1,091	1,439	96	2,626	0.4%
Tax Bracket 11	10.00%	663	945	62	1,670	0.3%
Tax Bracket 12	11.00%	2,103	2,628	152	4,883	0.8%
		358,691	216,595	69,345	644,631	100.0%

2019-2024 TAX SCHEDULE

Tax Brackets	Marginal Tax Rate	Single/MFS Taxable Income		Joint/Widow(er) Taxable Inc.		Head of HH Taxable Income	
		Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)
Tax Bracket 1	1.40%		\$2,400		\$4,800		\$3,600
Tax Bracket 2	3.20%	\$2,400	\$4,800	\$4,800	\$9,600	\$3,600	\$7,200
Tax Bracket 3	5.50%	\$4,800	\$9,600	\$9,600	\$19,200	\$7,200	\$14,400
Tax Bracket 4	6.40%	\$9,600	\$14,400	\$19,200	\$28,800	\$14,400	\$21,600
Tax Bracket 5	6.80%	\$14,400	\$19,200	\$28,800	\$38,400	\$21,600	\$28,800
Tax Bracket 6	7.20%	\$19,200	\$24,000	\$38,400	\$48,000	\$28,800	\$36,000
Tax Bracket 7	7.60%	\$24,000	\$36,000	\$48,000	\$72,000	\$36,000	\$54,000
Tax Bracket 8	7.90%	\$36,000	\$48,000	\$72,000	\$96,000	\$54,000	\$72,000
Tax Bracket 9	8.25%	\$48,000	\$150,000	\$96,000	\$300,000	\$72,000	\$225,000
Tax Bracket 10	9.00%	\$150,000	\$175,000	\$300,000	\$350,000	\$225,000	\$262,500
Tax Bracket 11	10.00%	\$175,000	\$200,000	\$350,000	\$400,000	\$262,500	\$300,000
Tax Bracket 12	11.00%	\$200,000		\$400,000		\$300,000	

ACTUAL 2025-2026 TAX SCHEDULE - ACT 46

Tax Brackets	Marginal Tax Rate	Single/MFS Taxable Income		Joint/Widow(er) Taxable Inc.		Head of HH Taxable Income	
		Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)
Tax Bracket 1	1.40%		\$9,600		\$19,200		\$14,400
Tax Bracket 2	3.20%	\$9,600	\$14,400	\$19,200	\$28,800	\$14,400	\$21,600
Tax Bracket 3	5.50%	\$14,400	\$19,200	\$28,800	\$38,400	\$21,600	\$28,800
Tax Bracket 4	6.40%	\$19,200	\$24,000	\$38,400	\$48,000	\$28,800	\$36,000
Tax Bracket 5	6.80%	\$24,000	\$36,000	\$48,000	\$72,000	\$36,000	\$54,000
Tax Bracket 6	7.20%	\$36,000	\$48,000	\$72,000	\$96,000	\$54,000	\$72,000
Tax Bracket 7	7.60%	\$48,000	\$125,000	\$96,000	\$250,000	\$72,000	\$187,500
Tax Bracket 8	7.90%	\$125,000	\$175,000	\$250,000	\$350,000	\$187,500	\$262,500
Tax Bracket 9	8.25%	\$175,000	\$225,000	\$350,000	\$450,000	\$262,500	\$337,500
Tax Bracket 10	9.00%	\$225,000	\$275,000	\$450,000	\$550,000	\$337,500	\$412,500
Tax Bracket 11	10.00%	\$275,000	\$325,000	\$550,000	\$650,000	\$412,500	\$487,500
Tax Bracket 12	11.00%	\$325,000		\$650,000		\$487,500	



Tax Brackets	Marginal Tax Rate	TY 2026 SYNTHETIC AFTER-CREDIT TAX LIABILITY					
		Residents	% of Total	Nonresidents	% of Total	Total	% of Total
Tax Bracket 1	1.40%	-\$22,364,645	-1.0%	-\$4,725,140	-2.3%	-\$27,089,785	-1.1%
Tax Bracket 2	3.20%	\$2,559,800	0.1%	\$984,572	0.5%	\$3,544,372	0.1%
Tax Bracket 3	5.50%	\$6,811,454	0.3%	\$1,300,563	0.6%	\$8,112,017	0.3%
Tax Bracket 4	6.40%	\$13,696,963	0.6%	\$1,749,145	0.9%	\$15,446,108	0.6%
Tax Bracket 5	6.80%	\$68,386,463	3.1%	\$5,166,000	2.5%	\$73,552,463	3.0%
Tax Bracket 6	7.20%	\$98,877,275	4.4%	\$5,836,469	2.9%	\$104,713,744	4.3%
Tax Bracket 7	7.60%	\$628,155,215	28.1%	\$31,856,755	15.6%	\$660,011,970	27.0%
Tax Bracket 8	7.90%	\$241,522,148	10.8%	\$13,459,097	6.6%	\$254,981,245	10.4%
Tax Bracket 9	8.25%	\$148,802,744	6.6%	\$10,220,901	5.0%	\$159,023,645	6.5%
Tax Bracket 10	9.00%	\$101,110,302	4.5%	\$8,772,936	4.3%	\$109,883,238	4.5%
Tax Bracket 11	10.00%	\$72,229,122	3.2%	\$7,955,738	3.9%	\$80,184,860	3.3%
Tax Bracket 12	11.00%	\$878,820,985	39.3%	\$121,848,540	59.6%	\$1,000,669,525	41.0%
		\$2,238,607,826	100.0%	\$204,425,576	100.0%	\$2,443,033,402	100.0%



ACT 46, SLH 2024
TAX YEAR 2027 (IF NO CHANGE IN POLICY)

Single Taxpayers and Married Filing Separate Returns

Over (>)	But Not Over (<=)	Your tax is:	
	\$14,400	1.40%	
\$14,400	\$19,200	\$202 plus	3.20%
\$19,200	\$24,000	\$355 plus	5.50%
\$24,000	\$36,000	\$619 plus	6.40%
\$36,000	\$48,000	\$1,387 plus	6.80%
\$48,000	\$125,000	\$2,203 plus	7.20%
\$125,000	\$175,000	\$7,747 plus	7.60%
\$175,000	\$225,000	\$11,547 plus	7.90%
\$225,000	\$275,000	\$15,497 plus	8.25%
\$275,000	\$325,000	\$19,622 plus	9.00%
\$325,000	\$400,000	\$24,122 plus	10.00%
\$400,000		\$31,622 plus	11.00%

FREEZE ABOVE \$175k-Single/\$350k-Joint @25 Rate
TAX YEAR 2027 - Add New 13% Top Bracket
Decrease Brackets 2 & 3 to 2.5% & 5%

Single Taxpayers and Married Filing Separate Returns

Over (>)	But Not Over (<=)	Your tax is:	
	\$14,400	1.40%	
\$14,400	\$19,200	\$202 plus	2.50%
\$19,200	\$24,000	\$322 plus	5.00%
\$24,000	\$36,000	\$562 plus	6.40%
\$36,000	\$48,000	\$1,330 plus	6.80%
\$48,000	\$125,000	\$2,146 plus	7.20%
\$125,000	\$175,000	\$7,690 plus	7.60%
\$175,000	\$225,000	\$11,490 plus	8.25%
\$225,000	\$275,000	\$15,615 plus	9.00%
\$275,000	\$325,000	\$20,115 plus	10.00%
\$325,000	\$500,000	\$25,115 plus	11.00%
\$500,000		\$44,365 plus	13.00%

ACT 46, SLH 2024
TAX YEAR 2029 (IF NO CHANGE IN POLICY)

Single Taxpayers and Married Filing Separate Returns

Over (>)	But Not Over (<=)	Your tax is:	
	\$19,200	1.40%	
\$19,200	\$24,000	\$269 plus	3.20%
\$24,000	\$36,000	\$422 plus	5.50%
\$36,000	\$48,000	\$1,082 plus	6.40%
\$48,000	\$125,000	\$1,850 plus	6.80%
\$125,000	\$175,000	\$7,086 plus	7.20%
\$175,000	\$225,000	\$10,686 plus	7.60%
\$225,000	\$275,000	\$14,486 plus	7.90%
\$275,000	\$325,000	\$18,436 plus	8.25%
\$325,000	\$400,000	\$22,561 plus	9.00%
\$400,000	\$475,000	\$29,311 plus	10.00%
\$475,000		\$36,811 plus	11.00%

FREEZE ABOVE \$175k-Single/\$350k-Joint @25 Rate
TAX YEAR 2029 - Add New 13% Top Bracket
Decrease Brackets 2 & 3 to 2.5% & 5%

Single Taxpayers and Married Filing Separate Returns

Over (>)	But Not Over (<=)	Your tax is:	
	\$19,200	1.40%	
\$19,200	\$24,000	\$269 plus	2.50%
\$24,000	\$36,000	\$389 plus	5.00%
\$36,000	\$48,000	\$989 plus	6.40%
\$48,000	\$125,000	\$1,757 plus	6.80%
\$125,000	\$175,000	\$6,993 plus	7.20%
\$175,000	\$225,000	\$10,593 plus	8.25%
\$225,000	\$275,000	\$14,718 plus	9.00%
\$275,000	\$325,000	\$19,218 plus	10.00%
\$325,000	\$500,000	\$24,218 plus	11.00%
\$500,000		\$43,468 plus	13.00%



Filing Status Married Filing Jointly
Dependents (excluding spouse) 2
Income (Hawai'i AGI) \$88,000

Tax Year	Pre-Act 46-2024	Act 46-2024	Act 46	Act 46	SB 3125-2026	SB 3125	SB 3125
			Tax Relief	Tax Relief	Tax Relief	Tax Relief	Tax Relief
2024	\$5,086	\$4,738	\$348	6.8%	\$4,738	\$348	6.8%
2025	\$5,086	\$3,539	\$1,547	30.4%	\$3,539	\$1,547	30.4%
2026	\$5,086	\$3,039	\$2,047	40.2%	\$3,039	\$2,047	40.2%
2027	\$5,086	\$2,481	\$2,605	51.2%	\$2,366	\$2,720	53.5%
2028	\$5,086	\$2,353	\$2,733	53.7%	\$2,238	\$2,848	56.0%
2029	\$5,086	\$1,803	\$3,283	64.5%	\$1,649	\$3,437	67.6%
2030	\$5,086	\$1,693	\$3,393	66.7%	\$1,549	\$3,537	69.5%
2031	\$5,086	\$1,473	\$3,613	71.0%	\$1,349	\$3,737	73.5%
\$40,687		TOTAL	\$19,567	48.1%		\$20,219	49.7%



Filing Status

Married Filing Jointly

Dependents (excluding spouse)

2

Income (Hawai'i AGI)

\$250,000

Tax Year	Pre-Act 46-2024	Act 46-2024	Act 46 Tax Relief	Act 46 Tax Relief	SB 3125-2026	SB 3125 Tax Relief	SB 3125 Tax Relief
2024	\$18,391	\$18,028	\$363	2.0%	\$18,028	\$363	2.0%
2025	\$18,391	\$15,765	\$2,626	14.3%	\$15,765	\$2,626	14.3%
2026	\$18,391	\$15,218	\$3,173	17.3%	\$15,218	\$3,173	17.3%
2027	\$18,391	\$14,013	\$4,379	23.8%	\$13,898	\$4,494	24.4%
2028	\$18,391	\$13,869	\$4,523	24.6%	\$13,754	\$4,638	25.2%
2029	\$18,391	\$12,638	\$5,754	31.3%	\$12,451	\$5,941	32.3%
2030	\$18,391	\$12,502	\$5,890	32.0%	\$12,315	\$6,077	33.0%
2031	\$18,391	\$12,230	\$6,162	33.5%	\$12,043	\$6,349	34.5%
	\$147,132	TOTAL	\$32,869	22.3%		\$33,660	22.9%



Filing Status Married Filing Jointly
Dependents (excluding spouse) 2
Income (Hawai'i AGI) \$1,500,000

Tax Year	Pre-Act 46-2024	Act 46-2024	Act 46 Tax Relief	Act 46 Tax Relief	SB 3125-2026	SB 3125 Tax Relief	SB 3125 Tax Relief
2024	\$152,770	\$152,286	\$484	0.3%	\$152,286	\$484	0.3%
2025	\$152,770	\$143,961	\$8,809	5.8%	\$143,961	\$8,809	5.8%
2026	\$152,770	\$143,169	\$9,601	6.3%	\$143,169	\$9,601	6.3%
2027	\$152,770	\$137,981	\$14,789	9.7%	\$151,054	\$1,716	1.1%
2028	\$152,770	\$137,761	\$15,009	9.8%	\$150,794	\$1,976	1.3%
2029	\$152,770	\$131,640	\$21,130	13.8%	\$149,001	\$3,769	2.5%
2030	\$152,770	\$131,420	\$21,350	14.0%	\$148,741	\$4,029	2.6%
2031	\$152,770	\$130,980	\$21,790	14.3%	\$148,221	\$4,549	3.0%
	\$1,222,157	TOTAL	\$112,962	9.2%		\$34,931	2.9%



Filing Status

Married Filing Jointly

Dependents (excluding spouse)

2

Income (Hawai'i AGI)

\$10,000,000

Tax Year	Pre-Act 46-2024	Act 46-2024	Act 46 Tax Relief	Act 46 Tax Relief	SB 3125-2026	SB 3125 Tax Relief	SB 3125 Tax Relief
2024	\$1,087,770	\$1,087,286	\$484	0.0%	\$1,087,286	\$484	0.0%
2025	\$1,087,770	\$1,078,961	\$8,809	0.8%	\$1,078,961	\$8,809	0.8%
2026	\$1,087,770	\$1,078,169	\$9,601	0.9%	\$1,078,169	\$9,601	0.9%
2027	\$1,087,770	\$1,072,981	\$14,789	1.4%	\$1,256,054	-\$168,284	-15.5%
2028	\$1,087,770	\$1,072,761	\$15,009	1.4%	\$1,255,794	-\$168,024	-15.4%
2029	\$1,087,770	\$1,066,640	\$21,130	1.9%	\$1,254,001	-\$166,231	-15.3%
2030	\$1,087,770	\$1,066,420	\$21,350	2.0%	\$1,253,741	-\$165,971	-15.3%
2031	\$1,087,770	\$1,065,980	\$21,790	2.0%	\$1,253,221	-\$165,451	-15.2%
	\$8,702,157	TOTAL	\$112,962	1.3%		-\$815,069	-9.4%



Tax Brackets	Marginal Tax Rate	Number of Resident Returns				23-24
		Single/MFS	Joint/Wid	HoH	TOTAL	% of Total
Tax Bracket 1	1.40%	79,385	39,417	6,432	125,234	19.4%
Tax Bracket 2	3.20%	13,546	5,392	2,529	21,467	3.3%
Tax Bracket 3	5.50%	23,984	10,590	5,390	39,964	6.2%
Tax Bracket 4	6.40%	20,934	10,719	5,705	37,358	5.8%
Tax Bracket 5	6.80%	18,457	10,927	6,786	36,170	5.6%
Tax Bracket 6	7.20%	18,156	10,532	7,447	36,135	5.6%
Tax Bracket 7	7.60%	47,206	25,933	15,055	88,194	13.7%
Tax Bracket 8	7.90%	42,344	25,424	8,600	76,368	11.8%
Tax Bracket 9	8.25%	86,332	67,253	10,660	164,245	25.5%
Tax Bracket 10	9.00%	2,313	2,477	211	5,001	0.8%
Tax Bracket 11	10.00%	1,344	1,711	122	3,177	0.5%
Tax Bracket 12	11.00%	4,690	6,220	408	11,318	1.8%
		358,691	216,595	69,345	644,631	100.0%

Tax Brackets	Marginal Tax Rate	Number of Resident Returns				25-26
		Single/MFS	Joint/Wid	HoH	TOTAL	% of Total
Tax Bracket 1	1.40%	116,915	55,399	14,351	186,665	29.0%
Tax Bracket 2	3.20%	20,934	10,719	5,705	37,358	5.8%
Tax Bracket 3	5.50%	18,457	10,927	6,786	36,170	5.6%
Tax Bracket 4	6.40%	18,156	10,532	7,447	36,135	5.6%
Tax Bracket 5	6.80%	47,206	25,933	15,055	88,194	13.7%
Tax Bracket 6	7.20%	42,344	25,424	8,600	76,368	11.8%
Tax Bracket 7	7.60%	81,496	62,727	10,323	154,546	24.0%
Tax Bracket 8	7.90%	7,149	7,003	548	14,700	2.3%
Tax Bracket 9	8.25%	2,177	2,919	220	5,316	0.8%
Tax Bracket 10	9.00%	1,091	1,439	96	2,626	0.4%
Tax Bracket 11	10.00%	663	945	62	1,670	0.3%
Tax Bracket 12	11.00%	2,103	2,628	152	4,883	0.8%
		358,691	216,595	69,345	644,631	100.0%

2019-2024 TAX SCHEDULE

Tax Brackets	Marginal Tax Rate	Single/MFS Taxable Income		Joint/Widow(er) Taxable Inc.		Head of HH Taxable Income	
		Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)
Tax Bracket 1	1.40%		\$2,400		\$4,800		\$3,600
Tax Bracket 2	3.20%	\$2,400	\$4,800	\$4,800	\$9,600	\$3,600	\$7,200
Tax Bracket 3	5.50%	\$4,800	\$9,600	\$9,600	\$19,200	\$7,200	\$14,400
Tax Bracket 4	6.40%	\$9,600	\$14,400	\$19,200	\$28,800	\$14,400	\$21,600
Tax Bracket 5	6.80%	\$14,400	\$19,200	\$28,800	\$38,400	\$21,600	\$28,800
Tax Bracket 6	7.20%	\$19,200	\$24,000	\$38,400	\$48,000	\$28,800	\$36,000
Tax Bracket 7	7.60%	\$24,000	\$36,000	\$48,000	\$72,000	\$36,000	\$54,000
Tax Bracket 8	7.90%	\$36,000	\$48,000	\$72,000	\$96,000	\$54,000	\$72,000
Tax Bracket 9	8.25%	\$48,000	\$150,000	\$96,000	\$300,000	\$72,000	\$225,000
Tax Bracket 10	9.00%	\$150,000	\$175,000	\$300,000	\$350,000	\$225,000	\$262,500
Tax Bracket 11	10.00%	\$175,000	\$200,000	\$350,000	\$400,000	\$262,500	\$300,000
Tax Bracket 12	11.00%	\$200,000		\$400,000		\$300,000	

ACTUAL 2025-2026 TAX SCHEDULE - ACT 46

Tax Brackets	Marginal Tax Rate	Single/MFS Taxable Income		Joint/Widow(er) Taxable Inc.		Head of HH Taxable Income	
		Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)
Tax Bracket 1	1.40%		\$9,600		\$19,200		\$14,400
Tax Bracket 2	3.20%	\$9,600	\$14,400	\$19,200	\$28,800	\$14,400	\$21,600
Tax Bracket 3	5.50%	\$14,400	\$19,200	\$28,800	\$38,400	\$21,600	\$28,800
Tax Bracket 4	6.40%	\$19,200	\$24,000	\$38,400	\$48,000	\$28,800	\$36,000
Tax Bracket 5	6.80%	\$24,000	\$36,000	\$48,000	\$72,000	\$36,000	\$54,000
Tax Bracket 6	7.20%	\$36,000	\$48,000	\$72,000	\$96,000	\$54,000	\$72,000
Tax Bracket 7	7.60%	\$48,000	\$125,000	\$96,000	\$250,000	\$72,000	\$187,500
Tax Bracket 8	7.90%	\$125,000	\$175,000	\$250,000	\$350,000	\$187,500	\$262,500
Tax Bracket 9	8.25%	\$175,000	\$225,000	\$350,000	\$450,000	\$262,500	\$337,500
Tax Bracket 10	9.00%	\$225,000	\$275,000	\$450,000	\$550,000	\$337,500	\$412,500
Tax Bracket 11	10.00%	\$275,000	\$325,000	\$550,000	\$650,000	\$412,500	\$487,500
Tax Bracket 12	11.00%	\$325,000		\$650,000		\$487,500	



PROPOSED 2027-2028 TAX SCHEDULE - SB 3125, S.D.1, H.D. 1, C.D. 2

Tax Brackets	Marginal Tax Rate	Single/MFS Taxable Income		Joint/Widow(er) Taxable Inc.		Head of HH Taxable Income	
		Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)
Tax Bracket 1	1.40%		\$14,400		\$28,800		\$21,600
Tax Bracket 2	2.50%	\$14,400	\$19,200	\$28,800	\$38,400	\$21,600	\$28,800
Tax Bracket 3	5.00%	\$19,200	\$24,000	\$38,400	\$48,000	\$28,800	\$36,000
Tax Bracket 4	6.40%	\$24,000	\$36,000	\$48,000	\$72,000	\$36,000	\$54,000
Tax Bracket 5	6.80%	\$36,000	\$48,000	\$72,000	\$96,000	\$54,000	\$72,000
Tax Bracket 6	7.20%	\$48,000	\$125,000	\$96,000	\$250,000	\$72,000	\$187,500
Tax Bracket 7	7.60%	\$125,000	\$175,000	\$250,000	\$350,000	\$187,500	\$262,500
Tax Bracket 8	8.25%	\$175,000	\$225,000	\$350,000	\$450,000	\$262,500	\$337,500
Tax Bracket 9	9.00%	\$225,000	\$275,000	\$450,000	\$550,000	\$337,500	\$412,500
Tax Bracket 10	10.00%	\$275,000	\$325,000	\$550,000	\$650,000	\$412,500	\$487,500
Tax Bracket 11	11.00%	\$325,000	\$500,000	\$650,000	\$1,000,000	\$487,500	\$750,000
Tax Bracket 12	13.00%	\$500,000		\$1,000,000		\$750,000	

Tax Brackets	Marginal Tax Rate	Number of Resident Returns				27-28
		Single/MFS	Joint/Wid	HoH	TOTAL	% of Total
Tax Bracket 1	1.40%	137,849	66,118	20,056	224,023	34.8%
Tax Bracket 2	2.50%	18,457	10,927	6,786	36,170	5.6%
Tax Bracket 3	5.00%	18,156	10,532	7,447	36,135	5.6%
Tax Bracket 4	6.40%	47,206	25,933	15,055	88,194	13.7%
Tax Bracket 5	6.80%	42,344	25,424	8,600	76,368	11.8%
Tax Bracket 6	7.20%	81,496	62,727	10,323	154,546	24.0%
Tax Bracket 7	7.60%	7,149	7,003	548	14,700	2.3%
Tax Bracket 8	8.25%	2,177	2,919	220	5,316	0.8%
Tax Bracket 9	9.00%	1,091	1,439	96	2,626	0.4%
Tax Bracket 10	10.00%	663	945	62	1,670	0.3%
Tax Bracket 11	11.00%	1,076	1,427	81	2,584	0.4%
Tax Bracket 12	13.00%	1,027	1,201	71	2,299	0.4%
		358,691	216,595	69,345	644,631	100.0%



PROPOSED 2029-THEREAFTER TAX SCHEDULE - SB 3125, S.D.1, H.D. 1, C.D. 2

Tax Brackets	Marginal Tax Rate	Single/MFS Taxable Income		Joint/Widow(er) Taxable Inc.		Head of HH Taxable Income	
		Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)	Over (>)	But Not Over (<=)
Tax Bracket 1	1.40%		\$19,200		\$38,400		\$28,800
Tax Bracket 2	2.50%	\$19,200	\$24,000	\$38,400	\$48,000	\$28,800	\$36,000
Tax Bracket 3	5.00%	\$24,000	\$36,000	\$48,000	\$72,000	\$36,000	\$54,000
Tax Bracket 4	6.40%	\$36,000	\$48,000	\$72,000	\$96,000	\$54,000	\$72,000
Tax Bracket 5	6.80%	\$48,000	\$125,000	\$96,000	\$250,000	\$72,000	\$187,500
Tax Bracket 6	7.20%	\$125,000	\$175,000	\$250,000	\$350,000	\$187,500	\$262,500
Tax Bracket 7	8.25%	\$175,000	\$225,000	\$350,000	\$450,000	\$262,500	\$337,500
Tax Bracket 8	9.00%	\$225,000	\$275,000	\$450,000	\$550,000	\$337,500	\$412,500
Tax Bracket 9	10.00%	\$275,000	\$325,000	\$550,000	\$650,000	\$412,500	\$487,500
Tax Bracket 10	11.00%	\$325,000	\$500,000	\$650,000	\$1,000,000	\$487,500	\$750,000
Tax Bracket 11	13.00%	\$500,000		\$1,000,000		\$750,000	

Tax Brackets	Marginal Tax Rate	Number of Resident Returns				2029
		Single/MFS	Joint/Wid	HoH	TOTAL	% of Total
Tax Bracket 1	1.40%	156,306	77,045	26,842	260,193	40.4%
Tax Bracket 2	2.50%	18,156	10,532	7,447	36,135	5.6%
Tax Bracket 3	5.00%	47,206	25,933	15,055	88,194	13.7%
Tax Bracket 4	6.40%	42,344	25,424	8,600	76,368	11.8%
Tax Bracket 5	6.80%	81,496	62,727	10,323	154,546	24.0%
Tax Bracket 6	7.20%	7,149	7,003	548	14,700	2.3%
Tax Bracket 7	8.25%	2,177	2,919	220	5,316	0.8%
Tax Bracket 8	9.00%	1,091	1,439	96	2,626	0.4%
Tax Bracket 9	10.00%	663	945	62	1,670	0.3%
Tax Bracket 10	11.00%	1,076	1,427	81	2,584	0.4%
Tax Bracket 11	13.00%	1,027	1,201	71	2,299	0.4%
		358,691	216,595	69,345	644,631	100.0%



Act Number	General Fund Revenue Gain (or Loss)							
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Act 46, SLH 2024	(\$240.3)	(\$596.6)	(\$740.1)	(\$922.7)	(\$1,052.6)	(\$1,262.3)	(\$1,347.5)	(\$1,453.2)

	FY2028	FY2029	FY2030	FY2031	FY2032
Impact of Brackets 2 & 3 Decreasing	-19.6	-19.7	-14.9	-14.5	-13.1
Impact of Adding Top 13% Bracket	106.3	110.4	114.3	118.2	122.2
NET EFFECT. Repeal of Tax Bracket Expansions in TY 2027 & TY 2029 for Taxable Income > \$175,000-Single/\$262,000-Head of Household/\$350,000-Joint. SD increases of Act 46 intact. Brackets 2-3 Decreased to 2.5% and 5%. New Top 13% Bracket Added \$500k-Single/\$1M-Joint	86.7	90.7	99.4	103.7	109.2



SOURCE OF REVENUE	FY 2025	
	Amount Collected	% of Total
Banks - Financial Corps.	\$ 10,296	0.09
Conveyance	96,045	0.84
Employment Security Contributions	281,225	2.45
Fuel ^{3,4}	167,966	1.47
Environmental Response	27,125	0.24
General Excise and Use	4,630,396	40.42
County Surcharge ⁵	565,256	4.93
Income - Corporations	400,384	3.49
Income - Individuals	3,288,093	28.70
Inheritance and Estate	405,766	3.54
Insurance Premiums	218,833	1.91
Liquor and Permits	50,149	0.44
Motor Vehicle Tax and Fees ¹	145,418	1.27
Rental Vehicle Tax and Fees	118,181	1.03
Public Service Companies	154,478	1.35
Tobacco and Licenses	79,887	0.70
Trans. Accom. Fees	16	0.00
Trans. Accom. Tax	816,184	7.12
All Others ²	638	0.01
TOTAL	\$ 11,456,335	100.00



Major Tax-Related Measures Passed by the 2025 Legislature and Enacted into Law

Estimates of General Fund Tax Revenue Gain or (Loss)

(Dollar amounts are in \$ millions)

Act Number	Description							
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Act 58, SLH 2025	Pass-Through Entity (PTE) Tax Add-Back Eliminates double benefit by adding PTE credit back to the qualified member's taxable income. Effective on May 15, 2025, and applicable to Tax Year 2025.	\$29.3	\$30.8	\$32.4	\$34.0	\$35.7	\$37.5	\$39.4
Act 96, SLH 2025	Transient Accommodations Tax Increase and Imposition on Cruise Ships Increases TAT by 0.75% (climate impact/green fee) and imposes TAT on gross rental proceeds derived from cruise fares. Effective on January 1, 2026 for TY 2026-TY 2030.	\$42.0	\$87.0	\$88.0	\$88.9	\$88.8	\$87.8	\$89.8
Total		\$71.3	\$117.8	\$120.4	\$122.9	\$124.5	\$125.3	\$129.2



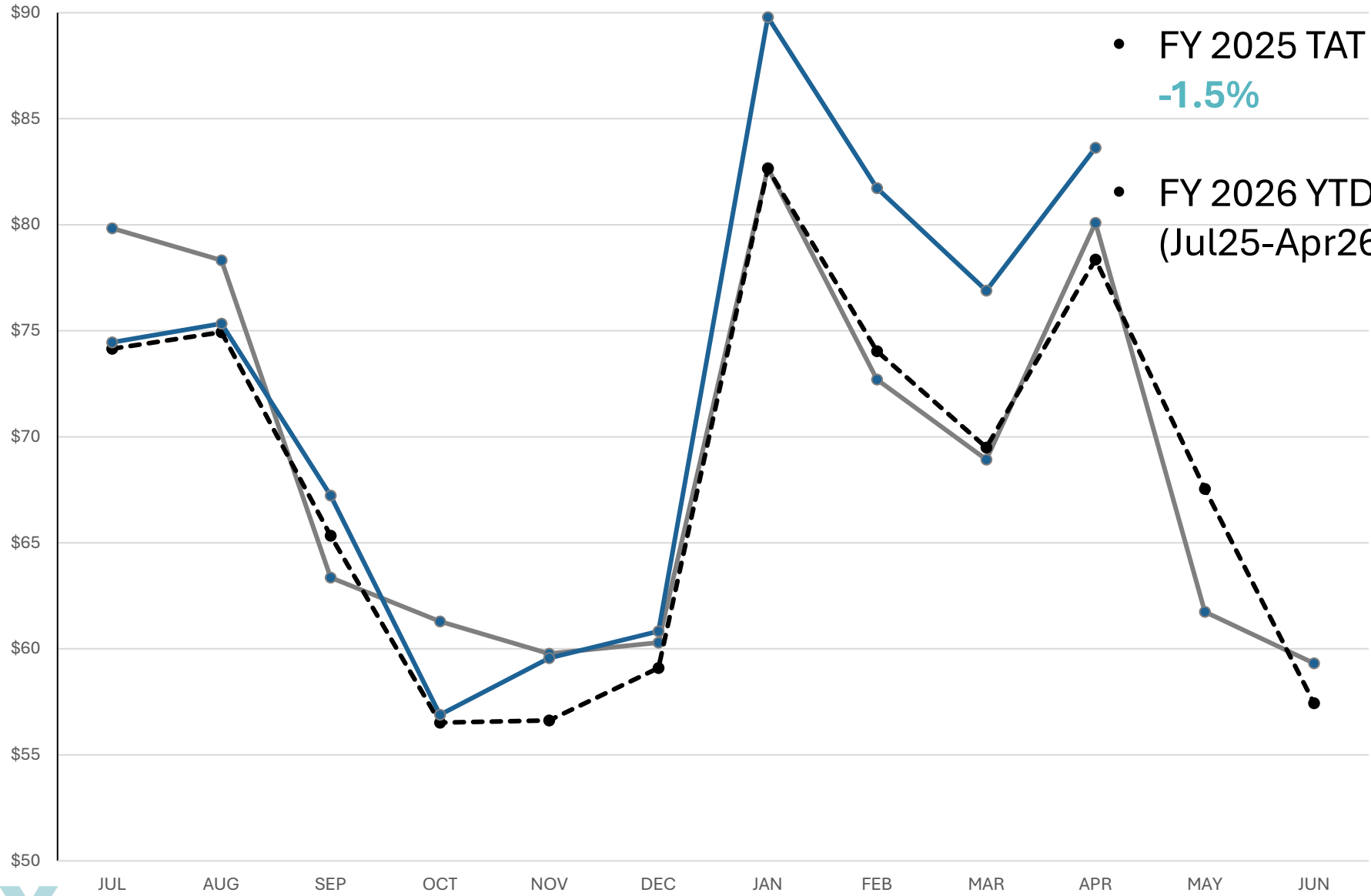
ACT 96 GENERAL FUND IMPACT	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Cruise Ships	\$12.6	\$26.0	\$24.8	\$23.5	\$21.2	\$17.7	\$17.4
Regular TAT	\$29.5	\$61.0	\$63.2	\$65.4	\$67.7	\$70.0	\$72.5
TOTAL	\$42.0	\$87.0	\$88.0	\$88.9	\$88.8	\$87.7	\$89.8

DOTAX ANNOUNCEMENT NO. 2026-01

The United States Court of Appeals for the Ninth Circuit enjoined enforcement of the portions of Act 96 that relate and apply to cruise ships in an order issued on December 31, 2025 and clarified on January 2, 2026. See *Cruise Lines Int’l Ass’n, Inc. v. Sukanuma*, Nos. 25-8057, 25-8058 (9th Cir.). Accordingly, and until further notice, the Department of Taxation (DOTAX) will refrain from enforcing Act 96 as it relates and applies to cruise ships. Taxpayers shall refrain from reporting income from cruise fares on Forms TA-1 and TA-2 and shall refrain from remitting TAT on cruise fares. All other provisions in Act 96, including the increase in the TAT rate from 10.25 percent to 11 percent, shall be effective as of January 1, 2026.



Transient Accommodations Tax Collections (\$ Million)



- FY 2025 TAT growth was **-1.5%**

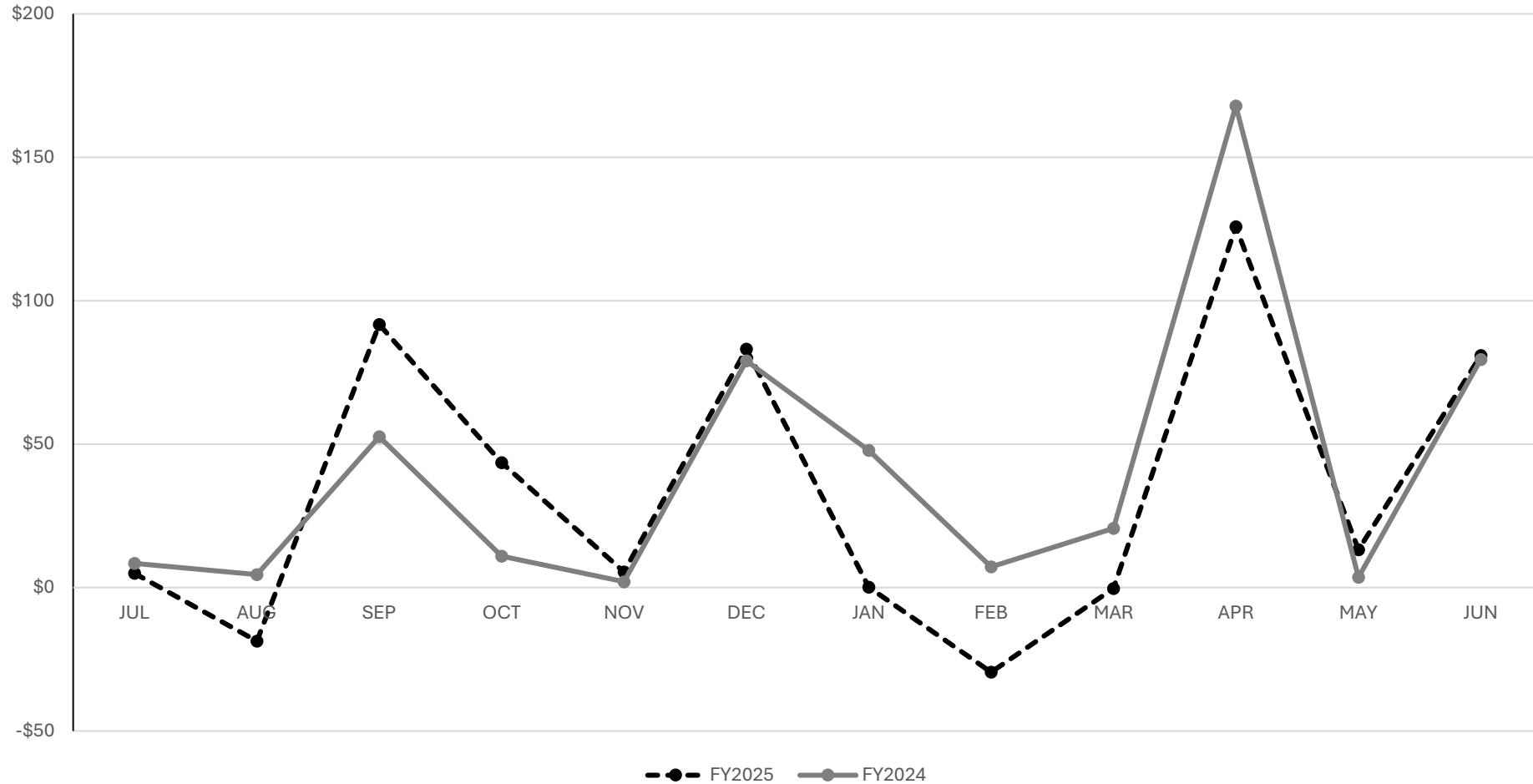
- FY 2026 YTD growth (Jul25-Apr26) is **5.1%**



SOURCE OF REVENUE	FY 2025	
	Amount Collected	% of Total
Banks - Financial Corps.	\$ 10,296	0.09
Conveyance	96,045	0.84
Employment Security Contributions	281,225	2.45
Fuel ^{3,4}	167,966	1.47
Environmental Response	27,125	0.24
General Excise and Use	4,630,396	40.42
County Surcharge ⁵	565,256	4.93
Income - Corporations	400,384	3.49
Income - Individuals	3,288,093	28.70
Inheritance and Estate	405,766	3.54
Insurance Premiums	218,833	1.91
Liquor and Permits	50,149	0.44
Motor Vehicle Tax and Fees ¹	145,418	1.27
Rental Vehicle Tax and Fees	118,181	1.03
Public Service Companies	154,478	1.35
Tobacco and Licenses	79,887	0.70
Trans. Accom. Fees	16	0.00
Trans. Accom. Tax	816,184	7.12
All Others ²	638	0.01
TOTAL	\$ 11,456,335	100.00



Corporate Income Tax Collections (\$ Million)

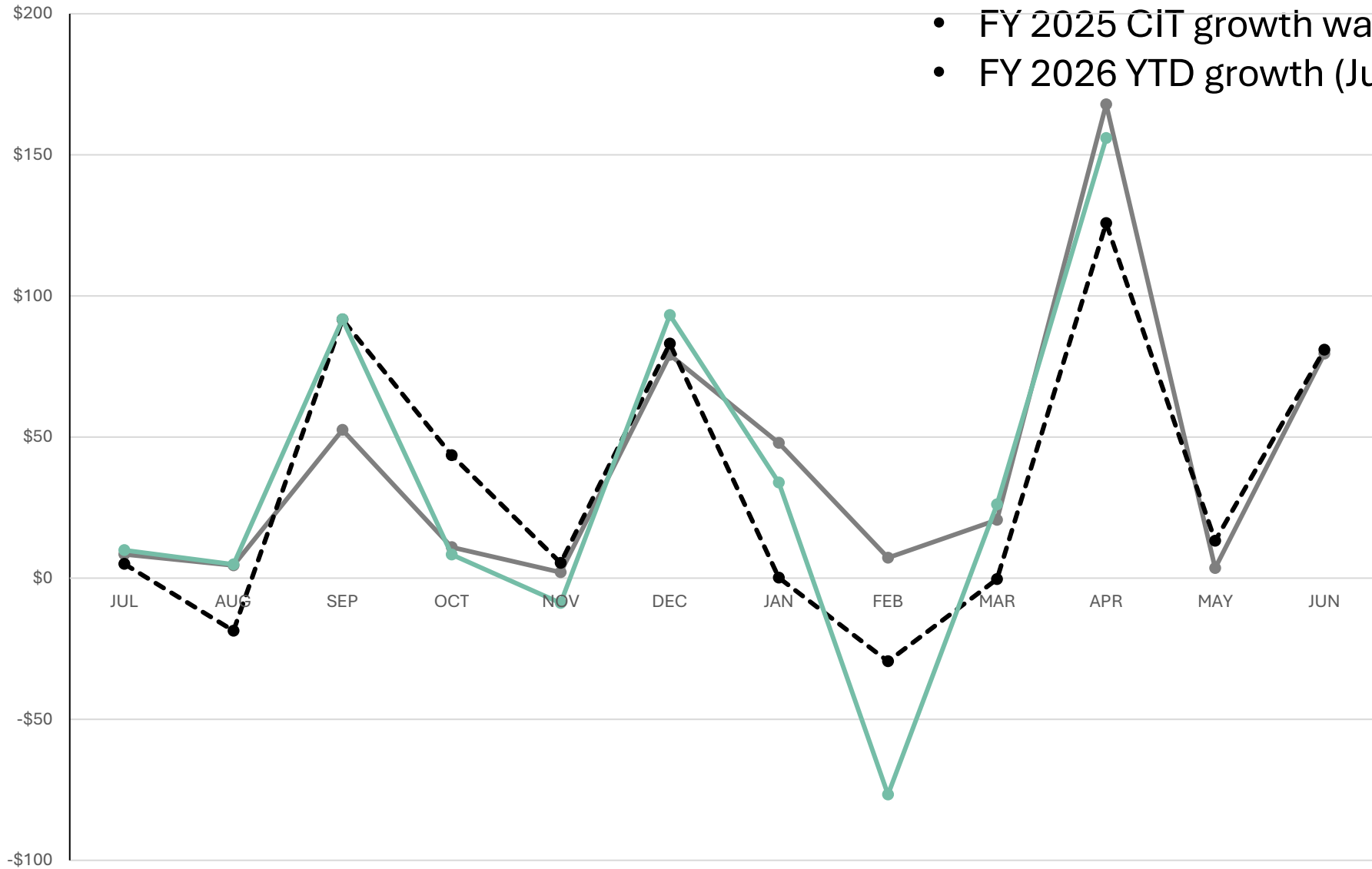


Corporate Income Tax Collections

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY
FY2025	\$5	-\$19	\$92	\$44	\$5	\$83	\$0	-\$29	\$0	\$126	\$13	\$81	\$400
FY2024	\$8	\$5	\$53	\$11	\$2	\$79	\$48	\$7	\$21	\$168	\$4	\$80	\$484
YOY % Ch	-40.82%	-515.08%	74.48%	298.70%	164.32%	5.16%	-99.59%	-507.35%	-101.61%	-25.10%	269.04%	1.76%	-17.34%
YTD % Ch	-40.82%	-205.45%	19.03%	58.99%	61.75%	33.35%	2.37%	-14.99%	-22.66%	-23.68%	-21.09%	-17.34%	



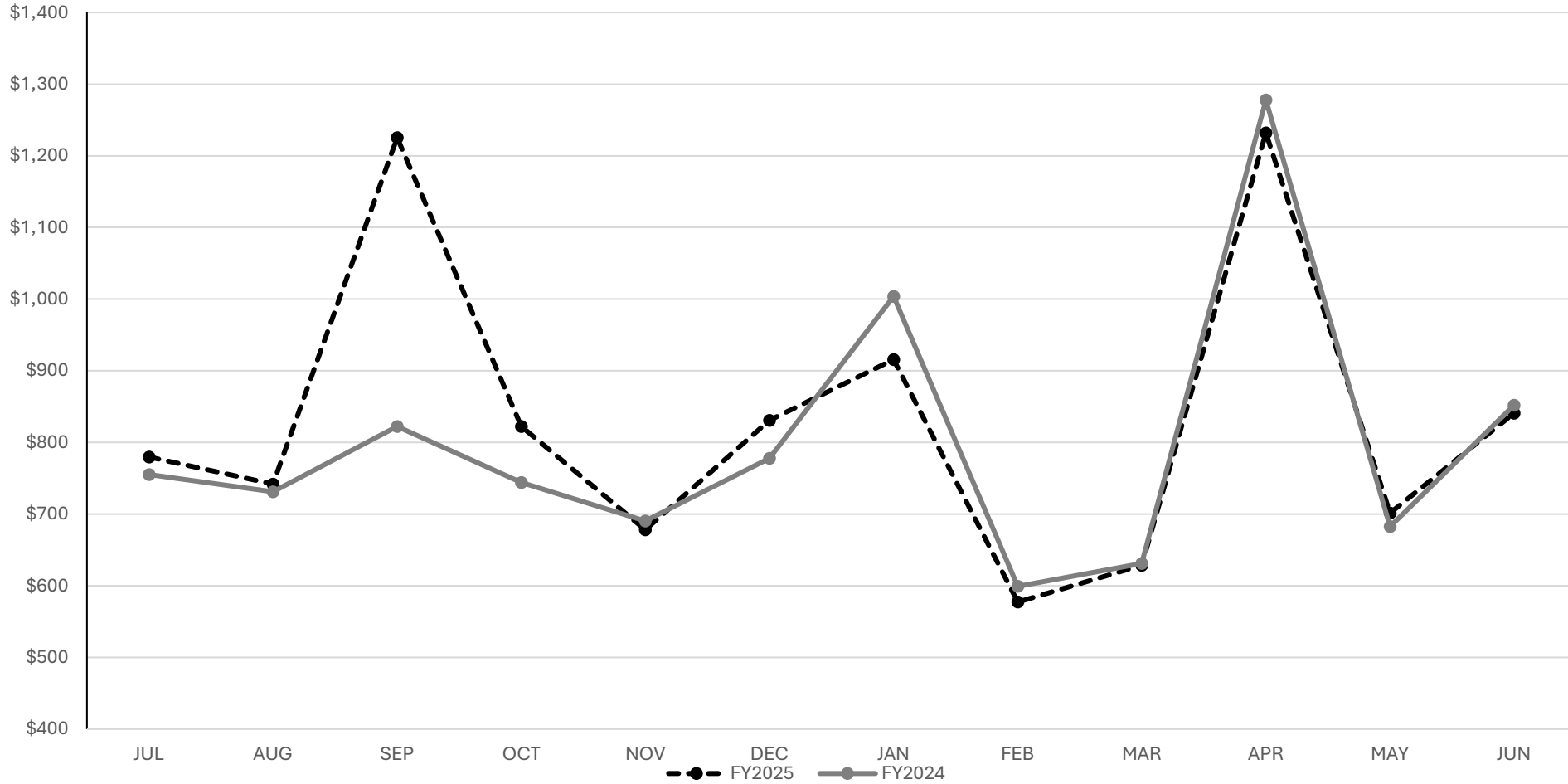
Corporate Income Tax Collections (\$ Million)



- FY 2025 CIT growth was **-17.3%**
- FY 2026 YTD growth (Jul25-Apr26) is **10.6%**

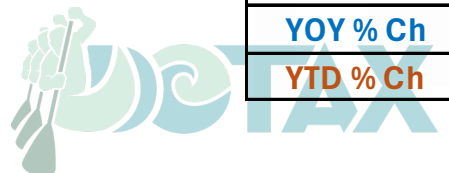


General Fund (\$ Million)

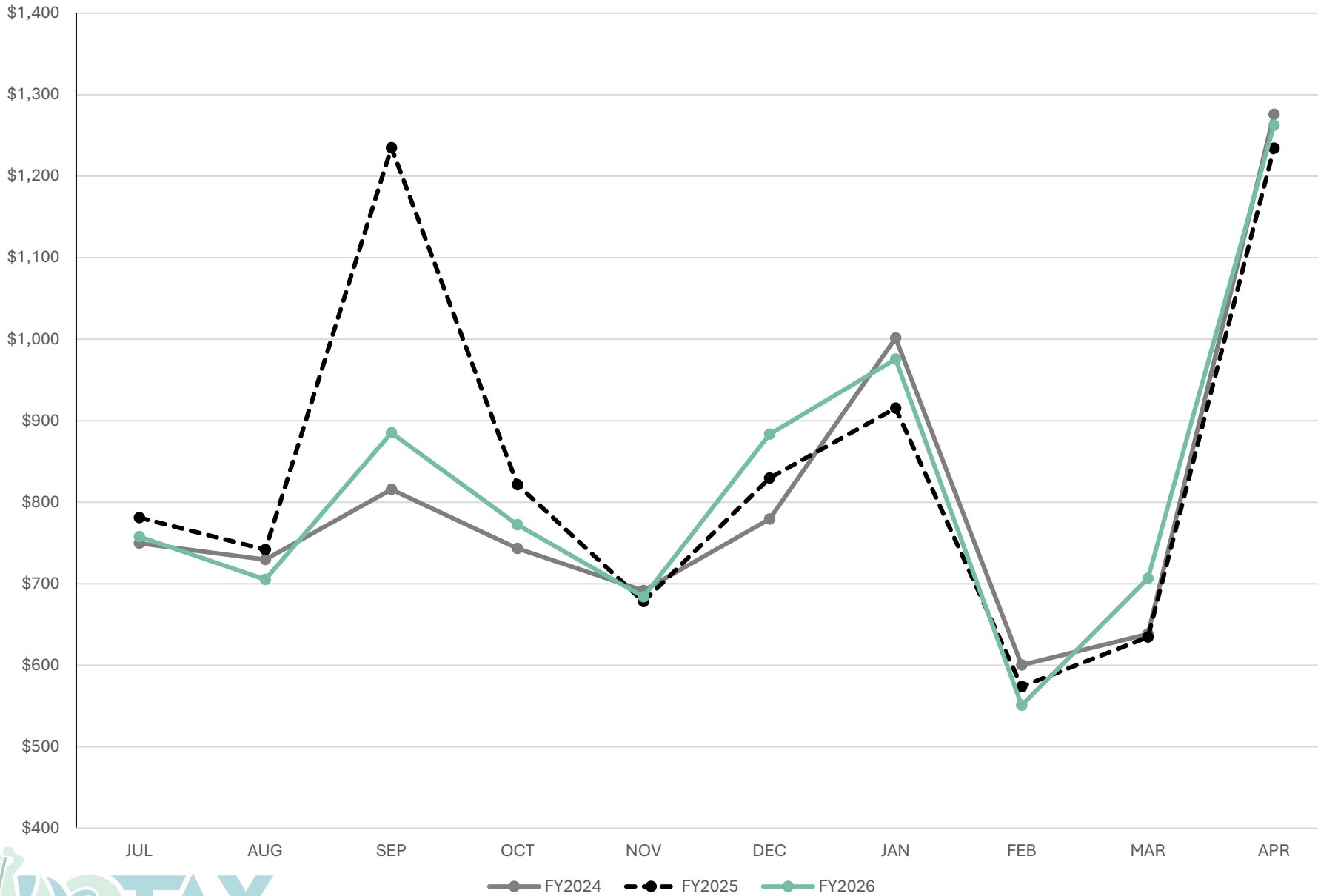


General Fund

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY
FY2025	\$780	\$742	\$1,225	\$822	\$678	\$831	\$916	\$577	\$628	\$1,232	\$702	\$841	\$9,974
FY2024	\$755	\$731	\$823	\$744	\$691	\$778	\$1,004	\$599	\$631	\$1,278	\$683	\$852	\$9,568
YOY % Ch	3.27%	1.48%	48.99%	10.48%	-1.82%	6.78%	-8.79%	-3.65%	-0.41%	-3.59%	2.79%	-1.33%	4.24%
YTD % Ch	3.27%	2.39%	18.99%	16.91%	13.46%	12.31%	8.48%	7.29%	6.57%	4.96%	4.79%	4.24%	



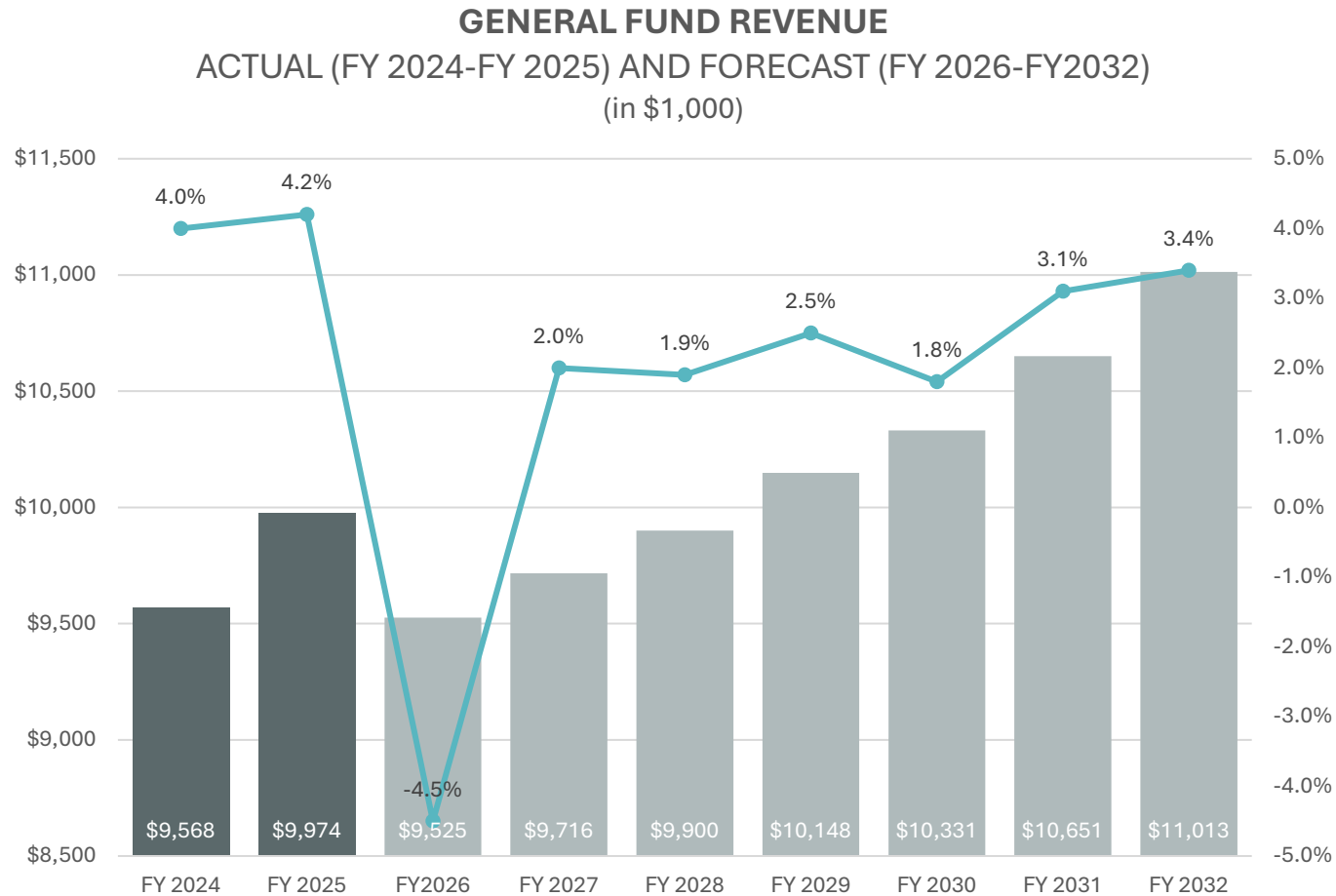
PRELIMINARY General Fund (\$ Million)



- FY 2026 YTD growth (Jul25-Apr26) is **-3%**
- FY 2026 YTD growth (Jul25-Apr26) removing the one-time increase in estate taxes in September 2024 would be **+0.8%**

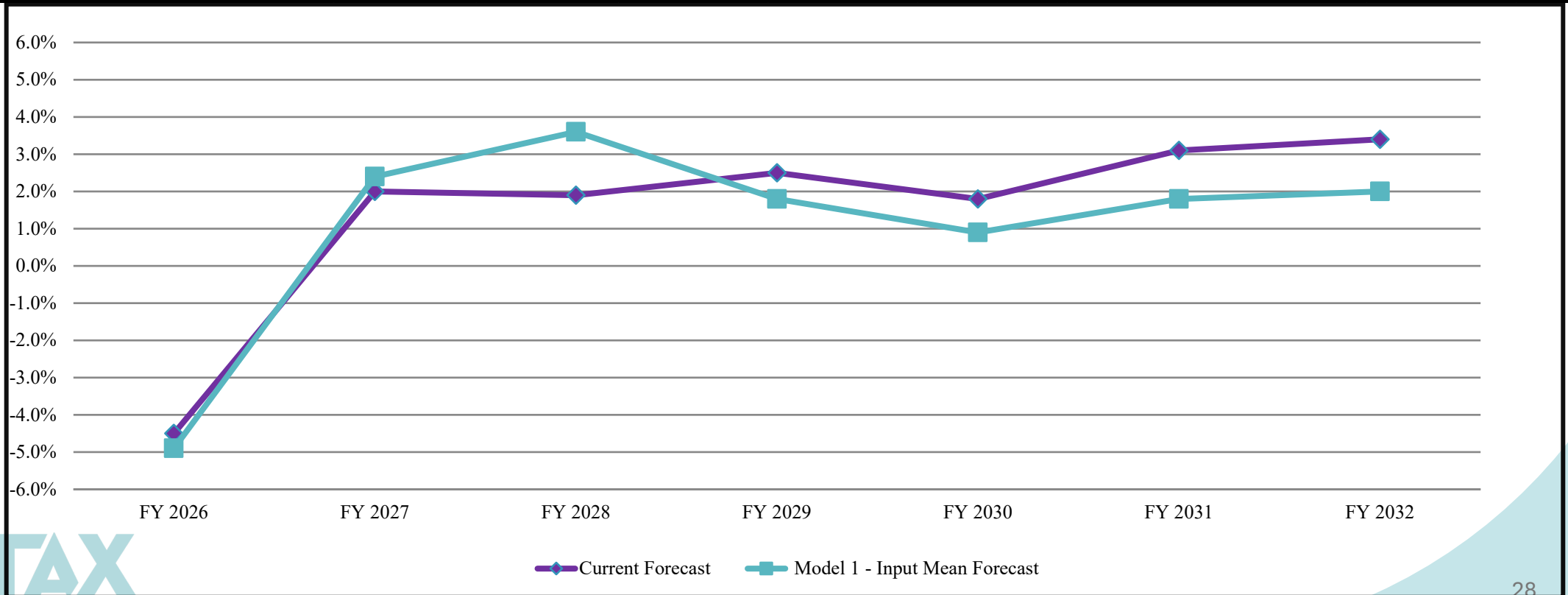


ACTUAL		COUNCIL ON REVENUES FORECAST: AS OF MARCH 10, 2026						
FY 2024	FY 2025	FY2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
\$9,568	\$9,974	\$9,525	\$9,716	\$9,900	\$10,148	\$10,331	\$10,651	\$11,013
4.0%	4.2%	-4.5%	2.0%	1.9%	2.5%	1.8%	3.1%	3.4%



SUMMARY TABLE
ESTIMATES OF GENERAL FUND TAX REVENUE: FY 2026 to FY 2032
 Amount (\$1,000) and Growth Rate (%)

	BASE		ESTIMATE						
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
OFFICIAL COR FORECAST as of March 10, 2026	\$ 9,568,313 4.0%	\$ 9,974,161 4.2%	\$ 9,525,324 -4.5%	\$ 9,715,830 2.0%	\$ 9,900,431 1.9%	\$ 10,147,942 2.5%	\$ 10,330,605 1.8%	\$ 10,650,854 3.1%	\$ 11,012,983 3.4%
MODEL 1 - INPUT MEAN FORECAST	\$ 9,568,313 4.0%	\$ 9,974,161 4.2%	\$ 9,487,259 -4.9%	\$ 9,710,340 2.4%	\$ 10,063,868 3.6%	\$ 10,249,020 1.8%	\$ 10,343,651 0.9%	\$ 10,530,474 1.8%	\$ 10,741,268 2.0%



Mahalo nui loa

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