
A BILL FOR AN ACT

RELATING TO GENERAL EXCISE TAX.

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

1 SECTION 1. Section 237-18, Hawaii Revised Statutes, is
2 amended by amending subsection (e) to read as follows:

3 "(e) Where [~~insurance agents, including general agents,~~
4 ~~subagents, or solicitors,~~] commissions are produced by:

5 (1) Insurance producers who are not employees and are
6 licensed pursuant to chapter 431[~~, or real~~];

7 (2) Real estate brokers or salespersons, who are not
8 employees and are licensed pursuant to chapter 467[~~r~~
9 ~~produce~~]; or

10 (3) Securities professionals, including brokers, dealers,
11 salespersons, and investment advisers, licensed
12 pursuant to chapter 485 or applicable federal
13 securities laws,

14 and the commissions [~~which~~] are divided between [~~such general~~
15 ~~agents, subagents, or solicitors, or between such~~] those

16 insurance producers, or those real estate brokers [~~or~~] and

17 salespersons, or those securities professionals, as the case may

18 be, the tax levied under section 237-13(6) as to real estate



1 brokers or salespersons[~~7~~] and securities professionals, or
2 under section 237-13(7) as to insurance [~~general agents,~~
3 ~~subagents, or solicitors~~] producers, shall apply to each [~~such~~]
4 person with respect to the person's portion of the commissions,
5 and no more."

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 Statutory material to be repealed is bracketed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

8 SECTION 3. This Act shall take effect upon its approval
9 and shall apply to taxable years beginning after December
10 31, 2005.



SB 2499 SD2

HD1

Report Title:

Investment Securities; Broker and Agent; General Excise Tax

Description:

Requires an investment broker and agent who share compensation for their services to pay the general excise tax on only that portion of the compensation retained by each. (SB2499 HD1)

SB2499 HD1 HMS 2006-2766

