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# A BILL FOR AN ACT

RELATING TO BOATING.

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

1           SECTION 1. Section 237-31, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§237-31 Remittances.** All remittances of taxes imposed by  
4 this chapter shall be made by money, bank draft, check,  
5 cashier's check, money order, or certificate of deposit to the  
6 office of the department of taxation to which the return was  
7 transmitted. The department shall issue its receipts therefor  
8 to the taxpayer and shall pay the moneys into the state treasury  
9 as a state realization, to be kept and accounted for as provided  
10 by law; provided that:

11           (1) The sum from all general excise tax revenues realized  
12           by the State that represents the difference between  
13           \$45,000,000 and the proceeds from the sale of any  
14           general obligation bonds authorized for that fiscal  
15           year for the purposes of the state educational  
16           facilities improvement special fund shall be deposited  
17           in the state treasury in each fiscal year to the



1 credit of the state educational facilities improvement  
2 special fund;

3 (2) A sum, not to exceed \$5,000,000, from all general  
4 excise tax revenues realized by the State shall be  
5 deposited in the state treasury in each fiscal year to  
6 the credit of the compound interest bond reserve fund;  
7 and

8 ~~[(3) A sum, not to exceed the amount necessary to meet the  
9 obligations of the integrated tax information  
10 management systems performance based contract may be  
11 retained and deposited in the state treasury to the  
12 credit of the integrated tax information management  
13 systems special fund. The sum retained by the  
14 director of taxation for deposit to the integrated tax  
15 information management systems special fund for each  
16 fiscal year shall be limited to amounts appropriated  
17 by the legislature. This paragraph shall be repealed  
18 on July 1, 2005.]~~

19 (3) Beginning July 1, 2006, and each fiscal year  
20 thereafter, a sum equal to ten per cent of the general  
21 excise tax revenues received from the direct revenues  
22 generated by the ocean recreation industry during the

1           preceding fiscal year shall be deposited in the state  
2           treasury to the credit of the boating special fund  
3           established pursuant to section 248-8 to supplement  
4           general revenues for the payment of costs enumerated  
5           under section 200-8. For the purposes of this  
6           paragraph "direct revenues generated by the ocean  
7           recreation industry" includes taxable revenue  
8           generated by the following businesses:

9           (A) Tour boats and cruise ship operators;

10          (B) Recreational fishing tour operators;

11          (C) Surf shops and surfboard manufacturers;

12          (D) Personal boat sales;

13          (E) Competitive ocean recreation-related events such  
14          as yacht racing, ocean swims/triathlons, surfing  
15          contests, and canoe races;

16          (F) Dive shop tour operators;

17          (G) Charter boat fishing operators;

18          (H) Billfish tournaments;

19          (I) Jet ski tour operators;

20          (J) Parasailing tour operators;

21          (K) Kayak tour operators; and

22          (L) Windsurfing tour operators."




# S.B. NO. 2150

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

3 SECTION 3. This Act shall take effect on July 1, 2006.

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INTRODUCED BY:



By the Honorable  
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SB2150

**Report Title:**

Ocean Recreation; Taxation

**Description:**

Requires the Department of Taxation to deposit an amount equivalent to 10% of the general excise tax revenues received from the direct revenues generated by the ocean recreation industry during the preceding fiscal year into the boating special fund.

