

STAND. COM. REP. NO.

2447

Honolulu, Hawaii

FEB 17

RE: S.B. No. 2041
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Housing,
to which was referred S.B. No. 2041 entitled:

"A BILL FOR AN ACT GENERAL EXCISE TAX; EXEMPTION FOR RELATED
ENTITIES,"

begs leave to report as follows:

The purpose of this measure is to clarify the definition of
related entities to include indirect and direct ownership.

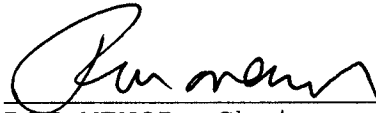
No testimony in support of this measure was submitted.
Testimony in opposition to this measure was submitted by the
Department of Taxation. Comments were submitted by the Department
of the Attorney General and the Tax Foundation of Hawaii.

Your Committee has amended this measure by making a technical
amendment.

As affirmed by the record of votes of the members of your
Committee on Commerce, Consumer Protection, and Housing that is
attached to this report, your Committee is in accord with the
intent and purpose of S.B. No. 2041, as amended herein, and
recommends that it pass Second Reading in the form attached hereto
as S.B. No. 2041, S.D. 1, and be referred to the Committee on Ways
and Means.



Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Housing,



RON MENOR, Chair



