

Honolulu, Hawaii

MAR - 3 2006

RE: S.B. No. 2499
S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2499, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose of this measure is to allow investment securities brokers and agents to pay the general excise tax on only the amount of a commission actually received, when the commission is divided among a number of persons.

Your Committee finds that this practice is already established for insurance agents and transactions between real estate brokers and salespersons. Your Committee also finds that it is fair and equitable to treat the security sales industry the same as the insurance and real estate sales industry by eliminating the pyramiding of general excise taxation of security brokers and their local agents.


Your Committee has amended this measure by:

- (1) Updating the terminology used to describe "insurance agents, general agents, subagents, and solicitors" to "insurance producers" to bring the section of law being amended by the measure into conformance with nomenclature used in the Insurance Code; and
- (2) Making technical nonsubstantive amendments for the purposes of style and clarity.



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2499, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2499, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



BRIAN T. TANIGUCHI, Chair



The Senate
Twenty-Third Legislature
State of Hawaii

Record of Votes of the
Committee on Ways and Means
(Bills and Resolutions)

Measure:* SB 2499 SD1	Committee Referral: CPH, WAM	Date: 2/28/06		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is to: <input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
TANIGUCHI, Brian T. (C)	/			
TSUTSUI, Shan S. (VC)	/			
ENGLISH, J. Kaiani	/			
ESPERO, Will	/			
FUKUNAGA, Carol				/
HOOSER, Gary L.				/
INOUE, Lorraine R.	/			
KANNO, Brian				/
KIM, Donna Mercado	/			
KOKUBUN, Russell S.	/			
NISHIHARA, Clarence K.	/			
SAKAMOTO, Norman	/			
HEMMINGS, Fred				/
SLOM, Sam	/			
TRIMBLE, Gordon		\		
TOTAL	10	1	0	4
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Do not list more than one measure per Record of Votes.