

STAND. COM. REP. NO.

1099

Honolulu, Hawaii

March 2, 2007

RE: H.B. No. 1719

H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1719, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this bill is to exempt the following from the general excise tax:

- (1) Amounts received by a submanager of an association of apartment owners or of certain nonprofit homeowners or community associations in reimbursement of sums paid for common expenses;
- (2) Amounts received by an operator of a hotel from a timeshare association for employee wage and benefit costs disbursed by the operator; and
- (3) Amounts received by a suboperator of a hotel from the owner of the hotel, a timeshare association, or operator of the hotel, for employee wage and benefit costs disbursed by the suboperator.

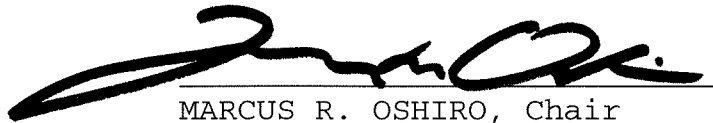
Wyndham Vacation Ownership, Inc., and Outrigger Hotels testified in support of this bill. ARDA-HI supported the intent of this measure. The Department of Taxation and Tax Foundation of Hawaii offered comments.

HB1719 HD1 HSCR FIN HMS 2007-2711



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1719, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



MARCUS R. OSHIRO, Chair



