

STAND. COM. REP. NO.

1309

Honolulu, Hawaii

MAR 23 2007

RE: H.B. No. 1719
H.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committees on Economic Development and Taxation and
Tourism and Government Operations, to which was referred H.B.
No. 1719, H.D. 1, entitled:

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

beg leave to report as follows:

The purpose of this measure is to extend the current general
excise tax exemption for condominium common expenses paid by
managers and hotel employee expenses paid by hotel operators, to
include expenses paid by submanagers and suboperators and to
include employee expenses in timeshare projects.

Testimony in support of this measure was received from
Outrigger Hotels and Wyndham Vacation Ownership, Inc. The
Department of Taxation (Department) and the Tax Foundation of
Hawaii submitted comments.

The Department stated in written testimony that the revenue
impact for this measure would be a revenue loss of approximately
\$1,500,000 each year. The Department did not submit the
methodology used to determine this fiscal impact.

Your Committees find that changes in visitor accommodations,
such as more timeshares, resort condos, or condominium-hotels,
have led to differences in how these less traditional facilities
are managed. This measure would extend equitable treatment to
these newer forms of management and operations, which currently
are in place for hotels under more traditional management.

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As affirmed by the records of votes of the members of your Committees on Economic Development and Taxation and Tourism and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1719, H.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Economic
Development and Taxation and
Tourism and Government
Operations,



CLARENCE K. NISHIHARA, Chair




CAROL FUKUNAGA, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

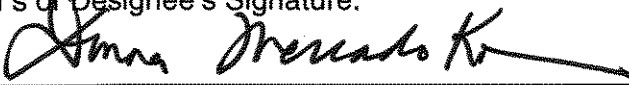
Record of Votes
Committee on Economic Development and Taxation
EDT

Bill / Resolution No.:*	Committee Referral:	Date:		
HR 1719 HD1	EDT/HS6, WAM	3/20/07		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
FUKUNAGA, Carol (C)	✓			
ESPERO, Will (VC)	✓			
ENGLISH, J. Kalani				✓
IGE, David Y.				✓
SLOM, Sam	✓			
TOTAL	3			2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink		
File with Committee Report	Clerk's Office	Drafting Agency		

*Only one measure per Record of Votes

The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Tourism and Government Operations
TSG

Bill / Resolution No.:*	Committee Referral:	Date:		
HB1719 HD1	EDT/TSG, WAM	3-22-07		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/> Pass, unamended 2312	<input type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
NISHIHARA, Clarence K. (C)	/			
KIM, Donna Mercado (VC)	/			
TSUTSUI, Shan S.	/			
TRIMBLE, Gordon	/			
TOTAL	4			
Recommendation:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency		

*Only one measure per Record of Votes