

STAND. COM. REP. NO.

1507

Honolulu, Hawaii

APR 04 2007

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

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

Madam:

Your Committee on Ways and Means, 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 measure is to extend the existing general excise tax exemptions 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.

Wyndham Vacation Ownership, Inc., submitted written testimony in support of this measure. The Department of Taxation submitted written comments on this measure.


Your Committee 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 framework.

Your Committee has amended this measure by adding a reference to chapter 514A, Hawaii Revised Statutes to section 237-24.3(3)(A), Hawaii Revised Statutes.



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 H.B. No. 1719, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1719, H.D. 1, S.D. 1.

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



ROSALYN H. BAKER, Chair



