
A BILL FOR AN ACT

RELATING TO GENERAL EXCISE TAX.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to provide a six-
2 year exemption from general excise taxes for payments received
3 from medicaid or medicare by any for-profit hospital group that
4 annually provides services for patients, of which sixty per cent
5 or more are uninsured, medicaid, and medicare patients.

6 The legislature intends that without exception, all gross
7 income derived from medicaid or medicare payments by a for-
8 profit hospital group be exempt from the general excise tax.

9 SECTION 2. Chapter 237, Hawaii Revised Statutes, is
10 amended by adding a new section to be appropriately designated
11 and to read as follows:

12 "§237- For-profit hospitals, infirmaries, and
13 sanitaria; exemption. Notwithstanding any other law to the
14 contrary, this chapter shall not apply to gross income received
15 from medicaid or medicare of any for-profit hospital group that
16 annually provides services for patients, of which sixty per cent
17 or more are uninsured, medicaid, and medicare patients."



1 SECTION 3. New statutory material is underscored.

2 SECTION 4. This Act shall take effect on July 1, 2020;

3 provided that this Act shall be repealed on June 30, 2014.



Report Title:

For-profit Hospitals; General Excise Tax Exemption

Description:

Provides a general excise tax exemption for six years for payments received from Medicaid or Medicare by a for-profit hospital, that provides services to an annual patient population consisting of sixty per cent or more uninsured, medicaid, and medicare patients. Sunset June 30, 2014. (HB2759 HD2)

