
A BILL FOR AN ACT

RELATING TO TAXES.

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

1 SECTION 1. Chapter 237, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§237- Exemption for food and medical services. (a)

5 There shall be exempted from, and excluded from the measure of,
6 the taxes imposed by this chapter all of the gross proceeds
7 arising from the sale of food and medical services.

8 (b) For the purposes of this section:

9 "Food" means:

10 (1) Any food or food product for home consumption
11 purchased at a grocery store, market, or open market;

12 (2) Seeds and plants for use in gardens to produce food
13 for the personal consumption of the eligible
14 household;

15 (3) In the case of those persons who are sixty years of
16 age or over or who receive supplemental security
17 income benefits or disability or blindness payments
18 under Title I, II, X, XIV, or XVI of the Social



1 Security Act (42 U.S.C. 301 et seq., 401 et seq., 1201
2 et seq., 1351 et seq., 1381 et seq.) and their
3 spouses, meals prepared by and served in senior
4 citizens' centers, apartment buildings occupied
5 primarily by such persons, public or private nonprofit
6 establishments (eating or otherwise) that feed
7 persons, private establishments that contract with the
8 appropriate agency of the State to offer meals for
9 persons at concessional prices, and meals prepared for
10 and served to residents of federally subsidized
11 housing for the elderly;

12 (4) In the case of persons sixty years of age or over and
13 persons who are physically or mentally handicapped or
14 otherwise so disabled that they are unable adequately
15 to prepare all of their meals, meals prepared for and
16 delivered to them (and their spouses) at their home by
17 a public or private nonprofit organization or by a
18 private establishment that contract with the
19 appropriate State agency to perform such services at
20 concessional prices;

21 (5) In the case of disabled or blind recipients of
22 benefits under Title I, II, X, XIV, or XVI of the



1 Social Security Act (42 U.S.C. 301 et seq., 401 et
2 seq., 1201 et seq., 1351 et seq., 1381 et seq.), who
3 are residents in a public or private nonprofit group
4 living arrangement that serves no more than sixteen
5 residents and is certified by the appropriate state
6 agency or agencies, meals prepared and served under
7 such arrangement;

8 (6) In the case of women and children temporarily residing
9 in public or private nonprofit shelters for battered
10 women and children, meals prepared and served, by such
11 shelters; and

12 (7) In the case of households that do not reside in
13 permanent dwellings and households that have no fixed
14 mailing addresses, meals prepared for and served by a
15 public or private nonprofit establishment approved by
16 an appropriate state or local agency that feeds such
17 individuals and by private establishments that
18 contract with the appropriate agency of the State to
19 offer meals for such individuals at concessional
20 prices;

21 Provided that "food" does not include alcoholic beverages
22 and tobacco, or hot food products ready for immediate



1 consumption except for such products for individual households
2 listed in paragraphs (3) to (7).

3 "Medical services" means:

4 (1) Professional services provided by hospitals and
5 medical clinics and facilities that are licensed by
6 the appropriate state agencies and services rendered
7 under chapters 436E, 442, 447, 448, 448B, 451A, 451J,
8 452, 453, 453D, 455, 457, 457A, 457G, 458, 459, 460,
9 461, 461J, 463E, 465, 466J, and 468E; and

10 (2) Over the counter or prescription drugs."

11 SECTION 2. This Act shall not apply to foods purchased in
12 restaurants or via restaurant delivery services other than those
13 services specified in section 1, subsection (b) of this Act.

14 SECTION 3. New statutory material is underscored.

15 SECTION 4. This Act shall take effect upon its approval
16 and apply to taxable years beginning after December 31, 2008.

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INTRODUCED BY:

J. Phil. Kuentz
[Signature]
[Signature]
Karen Awarani
John M. Myers
Mele Conall
[Signature]



[Signature]
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Report Title:

Food and Medical Products; Tax Exemption

Description:

Provides an exemption from general excise taxes on certain food and medical products.

