

JAN 24 2007

A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. It was announced during the governor's 2007
2 state of the State address, that the governor will seek
3 elimination of the general excise tax on essential foods, all of
4 which have been qualified as essential by the United States
5 department of agriculture under the special supplemental
6 nutrition program for women, infants, and children. The
7 essential foods designated by the department of agriculture
8 include: milk, eggs, cheese, canned salmon, canned tuna,
9 carrots, peanut butter, juices, cereals, beans, peas, and
10 lentils, as well as infant formula and cereal.

11 While the legislature recognizes the positive intentions of
12 the governor, the legislature finds that staple foods in local
13 culture, rice and poi, should be exempt from the general excise
14 tax.

15 The purpose of this Act is to create an exemption for the
16 essential foods of rice and poi, from the general excise tax.



1 SECTION 2. 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- Additional exemption for essential food products.

5 (a) In addition to the amounts not taxable under section
 6 237-24, this chapter shall not apply to essential food products.

7 (b) As used in this section, "essential food products"
 8 means rice and poi."

9 SECTION 3. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2007.

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Report Title:

General Excise Tax; Exemption

Description:

Exempts essential foods, rice and poi, from the general excise tax.

