

JAN 19 2007

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# A BILL FOR AN ACT

RELATING TO FOOD AND MEDICAL SERVICES.

**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) As used in this section, "food" means:

9 (1) Any food or food product for home consumption  
10 purchased at a grocery store, market, or open  
11 market except alcoholic beverages, tobacco, hot  
12 foods or hot food products ready for immediate  
13 consumption other than those authorized by the  
14 following subsections;

15 (2) Seeds and plants for use in gardens to produce  
16 food for the personal consumption of the eligible  
17 household;



1           (3) In the case of those persons who are sixty years  
2           of age or over or who receive supplemental  
3           security income benefits or disability or  
4           blindness payments under title I, II, X, XIV, or  
5           XVI of the Social Security Act (42 U.S.C. 301 et  
6           seq., 401 et seq., 1201 et seq., 1351 et seq.,  
7           1381 et seq.) and their spouses, meals prepared  
8           by and served in senior citizens' centers,  
9           apartment buildings occupied primarily by such  
10           persons, public or private nonprofit  
11           establishments (eating or otherwise) that feed  
12           such persons, private establishments that  
13           contract with the appropriate agency of the State  
14           to offer meals for such persons at concessional  
15           prices, and meals prepared for and served to  
16           residents of federally subsidized housing for the  
17           elderly;

18           (4) In the case of persons sixty years of age or over  
19           and persons who are physically or mentally  
20           handicapped or otherwise so disabled that they  
21           are unable adequately to prepare all of their  
22           meals, meals prepared for and delivered to them



1           (and their spouses) at their home by a public or  
2           private nonprofit organization or by a private  
3           establishment that contract with the appropriate  
4           State agency to perform such services at  
5           concessional prices;

6           (5) In the case of disabled or blind recipients of  
7           benefits under title I, II, X, XIV, or XVI of the  
8           Social Security Act (42 U.S.C. 301 et seq., 401  
9           et seq., 1201 et seq., 1351 et seq., 1381 et  
10           seq.), who are residents in a public or private  
11           nonprofit group living arrangement that serves no  
12           more than sixteen residents and is certified by  
13           the appropriate state agency or agencies, meals  
14           prepared and served under such arrangement;

15           (6) In the case of women and children temporarily  
16           residing in public or private nonprofit shelters  
17           for battered women and children, meals prepared  
18           and served, by such shelters; and

19           (7) In the case of households that do not reside in  
20           permanent dwellings and households that have no  
21           fixed mailing addresses, meals prepared for and  
22           served by a public or private nonprofit

1           establishment (approved by an appropriate state  
2           or local agency) that feeds such individuals and  
3           by private establishments that contract with the  
4           appropriate agency of the State to offer meals  
5           for such individuals at concessional prices;

6           (c) As used in this section, "medical services" means:

7           (1) Professional services provided by hospitals and  
8           medical clinics and facilities that are licensed  
9           by the appropriate state agencies and services  
10           rendered under chapters 436E, 442, 447, 448,  
11           448B, 451A, 451J, 452, 453, 455, 457, 457A, 457G,  
12           458, 459, 460, 461, 461J, 463E, 465, 466J, 468E."

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

17           SECTION 3. New statutory material is underscored.

18           SECTION 4. This Act shall take effect upon its approval  
19           and apply to taxable years beginning after December 31, 2007.

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INTRODUCED BY:

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**Report Title:**

GET; Food and Medical Services

**Description:**

Provides an exemption for food and medical services from the general excise tax.

