

JAN 18 2008

A BILL FOR AN ACT

RELATING TO THE GENERAL EXCISE TAX.

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- Imposition of tax; owner-builder. (a) In
5 addition to any tax imposed under section 237-13, there shall be
6 assessed and collected from an owner-builder who registers as
7 such under section 444-9.1 and constructs or renovates the
8 owner-builder's personal residence, a general excise tax based
9 on the assessed value of the construction or renovation project.
10 (b) The tax under subsection (a) shall be imposed against
11 the assessed value of the work as noted on the building permit;
12 provided that the value of the work performed by contractors
13 licensed under chapter 444 for the owner-builder shall be
14 deducted from the value of the work as noted on the building
15 permit; provided further that this section shall not affect any
16 other obligation of the contractor to pay the general excise tax
17 imposed by any other section under this chapter.



1 (c) The tax under this section shall be assessed and
2 collected on the owner-builder by the county office issuing the
3 building permit as a condition precedent to issuing the permit.
4 The county shall transfer the moneys collected under this
5 section to the department of taxation.

6 (d) This section shall apply to any construction or
7 renovation for which a building permit is issued after
8 August 31, 2008.

9 (e) The director of taxation may adopt rules, pursuant to
10 chapter 91, to effectuate this section."

11 SECTION 2. New statutory material is underscored.

12 SECTION 3. This Act shall take effect on July 1, 2008.

13

INTRODUCED BY: Norman Saterkamp

Report Title:

GET; Owner-Builder

Description:

Imposes the general excise tax on the value of the work performed by owners-builders on their residences.

