
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Section 237D-2, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) There is levied and shall be assessed and collected
4 each month a tax of:

5 (1) Five per cent for the period beginning on January 1,
6 1987, to June 30, 1994;

7 (2) Six per cent for the period beginning July 1, 1994, to
8 December 31, 1998; ~~and~~

9 (3) 7.25 per cent for the period beginning on January 1,
10 1999, ~~and thereafter,~~ to June 30, 2009; and

11 (4) _____ per cent for the period beginning on July 1,
12 2009, and thereafter;

13 on the gross rental or gross rental proceeds derived from
14 furnishing transient accommodations."

15 SECTION 2. Section 237D-6.5, Hawaii Revised Statutes, is
16 amended by amending subsection (b) to read as follows:



1 " (b) Revenues collected under this chapter shall be
2 distributed as follows, with the excess revenues to be deposited
3 into the general fund:

- 4 (1) No amount in excess of 17.3 per cent of the revenues
5 collected [~~under this chapter~~] exclusively from the
6 transient accommodations tax rate established in
7 section 237D-2(a)(3) shall be deposited into the
8 convention center enterprise special fund established
9 under section 201B-8; provided that beginning
10 January 1, 2002, if the amount of the revenue
11 collected under this paragraph exceeds \$33,000,000 in
12 any calendar year, revenues collected in excess of
13 \$33,000,000 shall be deposited into the general fund;
- 14 (2) No amount in excess of 34.2 per cent of the revenues
15 collected [~~under this chapter~~] exclusively from the
16 transient accommodations tax rate established in
17 section 237D-2(a)(3) shall be deposited into the
18 tourism special fund established under section 201B-11
19 for tourism promotion and visitor industry research;
20 provided that beginning on July 1, 2002, of the first
21 \$1,000,000 in revenues deposited:



1 (A) Ninety per cent shall be deposited into the state
2 parks special fund established in section
3 184-3.4; and
4 (B) Ten per cent shall be deposited into the special
5 land and development fund established in section
6 171-19 for the Hawaii statewide trail and access
7 program;
8 provided that of the 34.2 per cent, 0.5 per cent shall
9 be transferred to a sub-account in the tourism special
10 fund to provide funding for a safety and security
11 budget, in accordance with the Hawaii tourism
12 strategic plan 2005-2015; provided further that of the
13 revenues remaining in the tourism special fund after
14 revenues have been deposited as provided in this
15 paragraph and except for any sum authorized by the
16 legislature for expenditure from revenues subject to
17 this paragraph, beginning July 1, 2007, funds shall be
18 deposited into the tourism emergency trust fund,
19 established in section 201B-10, in a manner sufficient
20 to maintain a fund balance of \$5,000,000 in the
21 tourism emergency trust fund; provided further that if
22 there is an excess of revenues collected in any

1 calendar year after taking into consideration the
2 deposits that are required under this paragraph, then
3 of those excess revenues, an amount equal to the
4 difference between the rate collected pursuant to
5 section 237D-2(a)(4) and the rate that would have been
6 collected pursuant to section 237D-2(a)(3), shall be
7 deposited into the general fund; and

- 8 (3) No amount in excess of 44.8 per cent of the revenues
9 collected [~~under this chapter~~] exclusively from the
10 transient accommodations tax rate established in
11 section 237D-2(a)(3) shall be transferred as follows:
12 Kauai county shall receive 14.5 per cent, Hawaii
13 county shall receive 18.6 per cent, city and county of
14 Honolulu shall receive 44.1 per cent, and Maui county
15 shall receive 22.8 per cent.

16 All transient accommodations taxes shall be paid into the
17 state treasury each month within ten days after collection and
18 shall be kept by the state director of finance in special
19 accounts for distribution as provided in this subsection."

20 SECTION 3. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.

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



Report Title:

Transient Accommodations Tax Rate; Excess Revenue

Description:

Increases the rate of the transient accommodations tax beginning on July 1, 2009, to an unspecified amount and requires the additional revenues collected from the increase to be deposited into the general fund. (SB1111 HD1)

