

STAND. COM. REP. NO.

747

Honolulu, Hawaii

March 6, 2009

RE: H.B. No. 1175  
H.D. 2

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1175, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to help generate general fund revenues by increasing the cigarette tax from 10 cents to 14 cents per cigarette, beginning July 1, 2009. This one-time tax increase replaces the current yearly tax increase which puts the per-cigarette tax at 13 cents by September 30, 2011.

The Department of Budget and Finance, American Heart Association of Hawaii, and Coalition for a Tobacco Free Hawaii supported this bill. The Department of Taxation, Tax Foundation of Hawaii, and American Cancer Society provided comments.


Upon further consideration, your Committee has amended this bill by increasing the tax from 14 cents to 20 cents.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1175, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1175, H.D. 2, and be placed on the calendar for Third Reading.

HB1175 HD2 HSCR FIN HMS 2009-2690



Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
MARCUS R. OSHIRO, Chair



