

SB 436

Department of Taxation

Position Summary

Senate Committee on Ways & Means/February 27, 2009 Agenda

LATE

Bill Number	Bill Title "Relating to..."	Position	Comments	Revenue Impact	Methodology
SB 37 SD 1	INTRA-COUNTY FERRY SERVICE	Opposed to revenue loss	No technical comments.	\$67,500 for FY 2010 and after.	There are two ferry companies that would be affected. Estimated gallonage was determined from the distance between the relevant harbors for each of the routes and the fuel use and price as reported in an article appearing in the Maui News on May 28, 2008 'PUC Rate Relief Sought by Molokai, Lanai Ferry Businesses'. An estimate of 421,646 gallons of fuel would be used per year at a price of \$4.00 per gallon before taxes. The GET exemption would cost the General Fund \$67,500 annually (=421,646 x 4.00 x 0.04).

SB 436 SD 1

LIFE SCIENCES

Opposed to
revenue loss

No technical comments.

Indeterminate.

Due to no hard data on the number of qualified clinical trials and the amount of qualified clinical trial costs, revenue impact is indeterminate. However, if the qualified clinical trial cost were \$100 million, then annual revenue loss would be \$15 million annually. According to industry, close to 300 clinical trials are currently underway in Hawaii.

SB 1118 SD 1

LOW-INCOME
HOUSING

Support

No technical comments.

*FY 2011 \$ 1,275,000
*FY 2012 \$ 2,550,000
*FY 2013 \$ 3,187,500
*FY 2014 \$ 3,442,500
*FY 2015 \$ 3,697,500

Assuming annual federal grant is \$2.55 million.