
A BILL FOR AN ACT

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

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

1 SECTION 1. The purpose of this Act is to temporarily
2 suspend the distribution of transient accommodations tax
3 revenues to the counties.

4 SECTION 2. Section 237D-6.5, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§237D-6.5 Remittances; distribution to counties.** (a)

7 All remittances of taxes imposed under this chapter shall be
8 made by cash, bank drafts, cashier's check, money order, or
9 certificate of deposit to the office of the taxation district to
10 which the return was transmitted.

11 (b) Revenues collected under this chapter shall be
12 distributed as follows, with the excess revenues to be deposited
13 into the general fund:

14 (1) 17.3 per cent of the revenues collected under this
15 chapter shall be deposited into the convention center
16 enterprise special fund established under section
17 201B-8; provided that beginning January 1, 2002, if
18 the amount of the revenue collected under this



1 paragraph exceeds \$33,000,000 in any calendar year,
2 revenues collected in excess of \$33,000,000 shall be
3 deposited into the general fund;

4 (2) 34.2 per cent of the revenues collected under this
5 chapter shall be deposited into the tourism special
6 fund established under section 201B-11 for tourism
7 promotion and visitor industry research; provided that
8 beginning on July 1, 2002, of the first \$1,000,000 in
9 revenues deposited:

10 (A) Ninety per cent shall be deposited into the state
11 parks special fund established in section 184-
12 3.4; and

13 (B) Ten per cent shall be deposited into the special
14 land and development fund established in section
15 171-19 for the Hawaii statewide trail and access
16 program;

17 provided that of the 34.2 per cent, 0.5 per cent shall
18 be transferred to a sub-account in the tourism special
19 fund to provide funding for a safety and security
20 budget, in accordance with the Hawaii tourism
21 strategic plan 2005-2015; provided further that of the
22 revenues remaining in the tourism special fund after



1 revenues have been deposited as provided in this
2 paragraph and except for any sum authorized by the
3 legislature for expenditure from revenues subject to
4 this paragraph, beginning July 1, 2007, funds shall be
5 deposited into the tourism emergency trust fund,
6 established in section 201B-10, in a manner sufficient
7 to maintain a fund balance of \$5,000,000 in the
8 tourism emergency trust fund; and

- 9 (3) Except as provided in subsection (d), 44.8 per cent of
10 the revenues collected under this chapter shall be
11 transferred as follows: Kauai county shall receive
12 14.5 per cent, Hawaii county shall receive 18.6 per
13 cent, city and county of Honolulu shall receive 44.1
14 per cent, and Maui county shall receive 22.8 per cent.

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

19 (c) On or before January or July 1 of each year or after
20 the disposition of any tax appeal with respect to an assessment
21 for periods after June 30, 1990, the state director of finance
22 shall compute and pay the amount due as provided in subsection



1 (b) to the director of finance of each county to become a
2 general realization of the county expendable as such, except as
3 otherwise provided by law.

4 (d) Subsection (b) (3), with regard to transfer of revenues
5 to the counties, and subsection (c), with regard to computation
6 and payment to the counties, shall not be operative from July 1,
7 2009, to June 30, 2015. During the period that subsection
8 (b) (3) is not operative, the remainder of the revenues collected
9 shall be deposited into the state general fund."

10 SECTION 3. New statutory material is underscored.

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



Report Title:

Transient Accommodations Tax; Suspension of Distribution to
Counties

Description:

Suspends for 6 years from 07/01/2009 to 06/30/2015 the
distribution of transient accommodations tax revenues to the
counties. Effective 07/01/2020. (HB1744 HD1)

