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# A BILL FOR AN ACT

RELATING TO HOUSING.

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

1           SECTION 1. Section 201H-1, Hawaii Revised Statutes, is  
2 amended by adding a new definition to be appropriately inserted  
3 and to read as follows:

4           "Qualified person or firm" means an individual,  
5 partnership, joint venture, corporation, association, limited  
6 liability partnership, limited liability company, business,  
7 trust, or any organized group of persons or legal entities, or  
8 any combination thereof, which possesses all professional or  
9 vocational licenses necessary to do business in the state of  
10 Hawaii in conjunction with the planning, design, financing,  
11 construction (including materials and supplies for new  
12 construction, moderate rehabilitation, and substantial  
13 rehabilitation), sale, or rental of eligible housing projects."

14           SECTION 2. Section 237-1, Hawaii Revised Statutes, is  
15 amended by adding a new definition to be appropriately inserted  
16 and to read as follows:



1       "Qualified person or firm" means an individual,  
2 partnership, joint venture, corporation, association, limited  
3 liability partnership, limited liability company, business,  
4 trust, or any organized group of persons or legal entities, or  
5 any combination thereof, which possesses all professional or  
6 vocational licenses necessary to do business in the state of  
7 Hawaii in conjunction with the planning, design, financing,  
8 construction (including materials and supplies for new  
9 construction, moderate rehabilitation, and substantial  
10 rehabilitation), sale, or rental of eligible housing projects."

11       SECTION 3. Section 201H-36, Hawaii Revised Statutes, is  
12 amended by amending subsection (a) to read as follows:

13       "(a) In accordance with section 237-29, the corporation  
14 may approve and certify for exemption from general excise taxes  
15 any qualified person or firm involved with a newly constructed,  
16 or moderately or substantially rehabilitated project:

- 17       (1) Developed under this part;
- 18       (2) Developed under a government assistance program  
19             approved by the corporation, including but not limited  
20             to the United States Department of Agriculture 502  
21             program and Federal Housing Administration 235  
22             program;



1 (3) Developed under the sponsorship of a private nonprofit  
2 organization providing home rehabilitation or new  
3 homes for qualified families in need of decent, low-  
4 cost housing; or

5 (4) Developed by a qualified person or firm to provide  
6 affordable rental housing where at least fifty per  
7 cent of the available units are for households with  
8 incomes at or below eighty per cent of the area median  
9 family income as determined by the United States  
10 Department of Housing and Urban Development, of which  
11 at least twenty per cent of the available units are  
12 for households with incomes at or below sixty per cent  
13 of the area median family income as determined by the  
14 United States Department of Housing and Urban  
15 Development [-];

16 provided that, where income requirements are applicable, a  
17 qualified person or firm involved with a newly constructed, or  
18 moderately or substantially rehabilitated project developed in  
19 accordance with paragraphs (1), (2), (3), or (4), shall be  
20 eligible for exemption from general excise taxes only if the  
21 income used to meet the income requirements is a gross annual  
22 income, as calculated by the United States Department of Housing



1 and Urban Development in determining eligibility for the federal  
2 housing choice voucher (section 8) program."

3 SECTION 4. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5 SECTION 5. This Act shall take effect on July 1, 2050.



**Report Title:**

Affordable Housing; GET Exemption; HUD Calculation of Income

**Description:**

Requires that the gross annual income of households be used in any project with income requirements developed by a qualified person or firm and that the gross annual income be calculated according to the United States Department of Housing and Urban Development's method of calculation for determining eligibility for the federal housing choice voucher (section 8) program, for the person or firm to be considered to receive a general excise tax exemption. Effective July 1, 2050. (SB2595 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

