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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~~] a gross annual income, as calculated by the  
9 United States Department of Housing and Urban  
10 Development in determining eligibility for the federal  
11 housing choice voucher (section 8) program, at or  
12 below eighty per cent of the area median family income  
13 as determined by the United States Department of  
14 Housing and Urban Development, of which at least  
15 twenty per cent of the available units are for  
16 households with [~~incomes~~] a gross annual income, as  
17 calculated by the United States Department of Housing  
18 and Urban Development in determining eligibility for  
19 the federal housing choice voucher (section 8)  
20 program, at or below sixty per cent of the area median  
21 family income as determined by the United States  
22 Department of Housing and Urban Development [-];



1           provided that an exemption from general excise taxes  
2           granted to qualified persons or firms pursuant to this  
3           paragraph shall apply to only that portion of rental  
4           income received from households that meet the gross  
5           annual income requirements set forth in this  
6           paragraph."

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 Statutory material to be repealed is bracketed  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

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

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**Report Title:**

Affordable Housing; GET Exemption; HUD Calculation of Income

**Description:**

Requires that the gross annual income of households in a housing project developed by a qualified person or firm 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, in order for the person or firm to be considered to receive a general excise tax exemption. Effective 7/1/2050. (SD1)

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

