

JAN 23 2009

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# 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. Section 237D-6.5, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:
- 3           "(b) Revenues collected under this chapter shall be  
4 distributed as follows, with the excess revenues to be deposited  
5 into the general fund:
- 6           (1) 17.3 per cent of the revenues collected under this  
7 chapter shall be deposited into the convention center  
8 enterprise special fund established under section  
9 201B-8; provided that beginning January 1, 2002, if  
10 the amount of the revenue collected under this  
11 paragraph exceeds \$33,000,000 in any calendar year,  
12 revenues collected in excess of \$33,000,000 shall be  
13 deposited into the general fund;
- 14           (2) 34.2 per cent of the revenues collected under this  
15 chapter shall be deposited into the tourism special  
16 fund established under section 201B-11 for tourism  
17 promotion and visitor industry research; provided that  
18 not less than                   per cent shall be used for



1           tourism product development; and provided that  
2           beginning on July 1, 2002, of the first \$1,000,000 in  
3           revenues deposited:

4           (A)   Ninety per cent shall be deposited into the state  
5                 parks special fund established in section 184-  
6                 3.4; and

7           (B)   Ten per cent shall be deposited into the special  
8                 land and development fund established in section  
9                 171-19 for the Hawaii statewide trail and access  
10                program;

11           provided that of the 34.2 per cent, 0.5 per cent shall  
12           be transferred to a sub-account in the tourism special  
13           fund to provide funding for a safety and security  
14           budget, in accordance with the Hawaii tourism  
15           strategic plan 2005-2015; provided further that of the  
16           revenues remaining in the tourism special fund after  
17           revenues have been deposited as provided in this  
18           paragraph and except for any sum authorized by the  
19           legislature for expenditure from revenues subject to  
20           this paragraph, beginning July 1, 2007, funds shall be  
21           deposited into the tourism emergency trust fund,  
22           established in section 201B-10, in a manner sufficient



1 to maintain a fund balance of \$5,000,000 in the  
 2 tourism emergency trust fund; and  
 3 (3) 44.8 per cent of the revenues collected under this  
 4 chapter shall be transferred as follows: Kauai county  
 5 shall receive 14.5 per cent, Hawaii county shall  
 6 receive 18.6 per cent, city and county of Honolulu  
 7 shall receive 44.1 per cent, and Maui county shall  
 8 receive 22.8 per cent.

9 All transient accommodations taxes shall be paid into the  
 10 state treasury each month within ten days after collection and  
 11 shall be kept by the state director of finance in special  
 12 accounts for distribution as provided in this subsection."

13 SECTION 2. New statutory material is underscored.

14 SECTION 3. This Act shall take effect on July 1, 2009.

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INTRODUCED BY: Clara D. Stuber



**Report Title:**

Hawaii Tourism Authority; TAT Allocation for Product Development

**Description:**

Requires that not less than           % of moneys allocated to the tourism special fund from the transient accommodations tax be used for tourism product development.

