

Honolulu, Hawaii

Feb 5, 2010

RE: H.B. No. 2783

H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Tourism, Culture, & International Affairs,
to which was referred H.B. No. 2783 entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose of this bill is to make permanent the general excise tax (GET) exemptions for certain common interest community submanagers, hotel suboperators, and timeshare operators and suboperators.

ARDA-Hawaii, Wyndham Worldwide, Hawaii Association of REALTORS, and Outrigger Hotels supported this bill.

The GET exemptions preserved by this bill were established by Act 239, Session Laws of Hawaii (SLH) 2007, and were scheduled to expire on December 31, 2009. Act 196, SLH 2009, extended the GET exemptions to December 31, 2010, and added a \$400,000 cap on the aggregate GET exemption. Your Committee engaged in discussion on whether the \$400,000 aggregate cap was intended to be a cap on tax liability or gross receipts, and respectfully requests subsequent committees to further examine this issue.

Your Committee has amended this bill by specifying that the \$400,000 cap is based on the taxable amount due and not the gross receipts.



As affirmed by the record of votes of the members of your Committee on Tourism, Culture, & International Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2783, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2783, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Tourism, Culture,
& International Affairs,


JOEY MANAHAN, Chair



State of Hawaii
House of Representatives
The Twenty-fifth Legislature

HSCR 145-10

Record of Votes of the Committee on Tourism, Culture, & International Affairs

Bill/Resolution No.: HB 2783	Committee Referral: TCI, CPC, FIN	Date: 2-1-10		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) ¹ <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
TCI Members	Ayes	Ayes (WR)	Nays	Excused
1. MANAHAN, Joey (C)	✓			
2. TOKIOKA, James Kunane (VC)	✓			
3. BERG, Lyla B.				✓
4. CHOY, Isaac W.	✓			
5. EVANS, Cindy	✓			
6. McKELVEY, Angus L.K.				✓
7. TAKAI, K. Mark				✓
8. TSUJI, Clift	✓			
9. WAKAI, Glenn				✓
10. WOOLEY, Jessica				✓
11. MARUMOTO, Barbara C.	✓			
TOTAL (11)	6			5
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation.				
Vice Chair's or designee's signature: _____ <div style="text-align: center; margin-top: -10px;"> </div>				
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