

Honolulu, Hawaii

Feb 12, 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 Consumer Protection & Commerce, to which was referred H.B. No. 2783, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this bill is to support Hawaii's visitor and real estate industries by:

- (1) Making the general excise tax exemptions for condominium submanagers, suboperators, and timeshare associations permanent; and
- (2) Specifying that the \$400,000 aggregate cap on these exemptions is based on the taxable amount due and not the gross receipts, and applies only to amounts due prior to January 1, 2008.

Outrigger Hotels, Starwood Vacation Ownership, American Resort Development Association-Hawaii, and Wyndham Worldwide supported this bill. The Hawaii Association of REALTORS supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2783, H.D. 1, and recommends that it be referred to the Committee on Finance.

HB2783 HD1 HSCR CPC HMS 2010-1796



Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROBERT N. HERKES, Chair



