

Honolulu, Hawaii

**Feb 26**, 2010

RE: H.B. No. 2874

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 2874 entitled:

"A BILL FOR AN ACT RELATING TO THE TRANSIENT ACCOMMODATIONS TAX,"

begs leave to report as follows:

The purpose of this bill is to temporarily increase the transient accommodations tax rate imposed on resort time share vacation units to the same rate that is imposed on the gross rental or gross rental proceeds derived from furnishing transient accommodations.

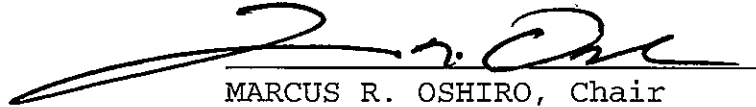
The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO testified in support of this bill. The Office of the Governor; Department of Taxation; Royal Aloha Vacation Club; Shell Management Hawaii, Inc.; The Imperial Hawaii Resort; Diamond Resorts International; Marriot Vacation Club International; Marriott's Ko'olina Beach Club; American Resort Development Association (ARDA); ARDA-Hawaii; Wyndham Worldwide; Lawai Beach Resort; Interval International, Inc.; Starwood Vacation Ownership; and several concerned individuals opposed this measure. The Hawaii Tourism Authority and the Tax Foundation of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No.



2874 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
MARCUS R. OSHIRO, Chair



