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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-1, Hawaii Revised Statutes, is  
2 amended as follows:

3           1. By adding a new definition to read:

4           "Resort fee" means any additional fee, charge, surcharge,  
5 levy, assessment, or sum collected by an operator to defray the  
6 cost of maintaining facilities or amenities used in common or  
7 jointly with another operator.

8           2. By amending the definition of "'gross rental" or "gross  
9 rental proceeds"' to read:

10           "Gross rental" or "gross rental proceeds" means the gross  
11 receipts, cash or accrued, of the taxpayer received as  
12 compensation for the furnishing of transient accommodations and  
13 the value proceeding or accruing from the furnishing of such  
14 accommodations, including resort fees, without any deductions on  
15 account of the cost of property or services sold, the cost of  
16 materials used, labor cost, taxes, royalties, interest,  
17 discounts, or any other expenses whatsoever. Every taxpayer  
18 shall be presumed to be dealing on a cash basis unless the



1 taxpayer proves to the satisfaction of the department of  
2 taxation that the taxpayer is dealing on an accrual basis and  
3 the taxpayer's books are so kept, or unless the taxpayer employs  
4 or is required to employ the accrual basis for the purposes of  
5 the tax imposed by chapter 237 for any taxable year in which  
6 event the taxpayer shall report the taxpayer's gross income for  
7 the purposes of this chapter on the accrual basis for the same  
8 period.

9       The words "gross rental" or "gross rental proceeds" shall  
10 not be construed to include the amounts of taxes imposed by  
11 chapter 237 or this chapter on operators of transient  
12 accommodations and passed on, collected, and received from the  
13 consumer as part of the receipts received as compensation for  
14 the furnishing of transient accommodations. Where transient  
15 accommodations are furnished through arrangements made by a  
16 travel agency or tour packager at noncommissionable negotiated  
17 contract rates and the gross income is divided between the  
18 operator of transient accommodations on the one hand and the  
19 travel agency or tour packager on the other hand, gross rental  
20 or gross rental proceeds to the operator means only the  
21 respective portion allocated or distributed to the operator, and  
22 no more. For purposes of this definition, where the operator



1 maintains a schedule of rates for identifiable groups of  
2 individuals, such as kamaainas, upon which the accommodations  
3 are leased, let, or rented, gross rental or gross rental  
4 proceeds means the receipts collected and received based upon  
5 the scheduled rates and recorded as receipts in its books and  
6 records."

7 SECTION 2. New statutory material is underscored.

8 SECTION 3. This Act shall take effect on January 1, 2012.

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INTRODUCED BY:

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JAN 26 2011



**Report Title:**

Transient Accommodations Tax; Resort fee

**Description:**

Imposes the Transient Accommodations Tax on resort fees.

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

