

STAND. COM. REP. NO. 682

Honolulu, Hawaii  
March 4, 2011

RE: H.B. No. 273  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 273  
entitled:

"A BILL FOR AN ACT RELATING TO TOBACCO PRODUCTS,"

begs leave to report as follows:

The purpose of this bill is to amend the tax on tobacco  
products, other than large cigars, sold by a wholesaler or dealer  
on or after July 1, 2011, to equal \$3.20 for each tobacco product  
article or item sold.

The American Lung Association in Hawaii, American Cancer  
Society Hawaii Pacific Inc., Hawaii COPD Coalition, Healthy  
Mothers Healthy Babies, and Coalition for a Tobacco-Free Hawai'i  
testified in support of the bill. The Department of Taxation, the  
Tax Foundation of Hawaii, University of Hawai'i Cancer Center, and  
the American Heart Association submitted comments.

Your Committee has amended this bill by:


- (1) Amending the amount of the excise tax on tobacco  
products to reflect an excise tax equal to the greater  
of 70 percent of the wholesale price of, or \$3.20 for,  
each article or item of tobacco products, other than  
large cigars, sold by the wholesaler or dealer on and  
after July 1, 2011;



- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making a technical, nonsubstantive amendment for clarity, consistency, and style.

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. 273, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 273, H.D. 1, and be placed on the calendar for Third Reading.

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



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MARCUS R. OSHIRO, Chair



