

STAND. COM. REP. NO. 108

Honolulu, Hawaii
Feb 8, 2011

RE: H.B. No. 798

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 798 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to assess the general excise tax on the death benefit or other gross income derived from life settlement, bank-owned life, and corporate-owned life insurance policies issued after June 30, 2011. Compensation received by an insured for the transfer of a policy or designation of a beneficiary, or death benefits paid to a person related to the insured are exempted.

The Department of Taxation testified in support of this bill. The Chamber of Commerce of Hawaii, the Hawaii Bankers Association, the Hawaii Business League, the American Council of Life Insurers, and the National Association of Insurance and Financial Advisors Hawaii opposed this measure. The Tax Foundation of Hawaii and Prudential Financial offered comments.

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. 798 and recommends that it pass Second Reading and be referred to the Committee on Finance.

HB798 HSCR CPC HMS 2011-1731



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



ROBERT N. HERKES, Chair



House 108

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 798	Committee Referral: CPC, FIN	Date: 1/31/2011		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. HERKES, Robert N. (C)	/			
2. YAMANE, Ryan I. (VC)	/			
3. BROWER, Tom	/			
4. CABANILLA, Rida T.R.	/			
5. CARROLL, Mele				/
6. ITO, Ken				/
7. KEITH-AGARAN, Gilbert S.C.	/			
8. LUKE, Sylvia		/		
9. McKELVEY, Angus L.K.				/
10. MORITA, Hermina M.		/		
11. OSHIRO, Blake K.	/			
12. SOUKI, Joseph M.		/		
13. TSUJI, Clift		/		
14. CHING, Corinne W.L.			/	
15. MARUMOTO, Barbara C.		/		
16. THIELEN, Cynthia		/		
TOTAL (16)	6	6	1	3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: _____				
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