

STAND. COM. REP. NO. 468

Honolulu, Hawaii

Feb 18, 2011

RE: H.B. No. 809
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 Tourism, to which was referred H.B. No. 809
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:

- (1) Increase temporarily--from July 1, 2011, to June 30, 2015--the transient accommodations tax (TAT) rate assessed on the occupants of resort time share vacation units by two percent; and
- (2) Deposit the revenues collected from the increase into the general fund.

The Department of Taxation supported this bill. The American Resort Development Association-Hawaii; Wyndham Worldwide; PAHIO Development, Inc.; Marriott Vacation Club International; Resort Owners' Coalition of the American Resort Development Association; Starwood Vacation Ownership; Walt Disney Parks and Resorts; and a concerned individual opposed this measure. The Tax Foundation of Hawaii offered comments.

Your Committee has amended this bill by:

HB809 HD1 HSCR TOU HMS 2011-1946



- (1) Changing the two percent increase in the TAT rate to an unspecified amount;
- (2) Changing the effective date to January 1, 2020, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the definition of fair market rental value may need to be clarified.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 809, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 809, H.D. 1, and be referred to the Committee on Finance.

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



TOM BROWER, Chair



State of Hawaii
House of Representatives
The Twenty-sixth Legislature

Record of Votes of the Committee on Tourism

Bill/Resolution No.: HB 809	Committee Referral: TOU, FIN	Date: 02/07/11
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The committee is reconsidering its previous decision on the measure.

The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold
 Pass short form bill with HD to recommit for future public hearing (recommit)

TOU Members	Ayes	Ayes (WR)	Nays	Excused
1. BROWER, Tom (C)	✓			
2. TOKIOKA, James Kunane (VC)	✓			
3. AWANA, Karen L.	✓			
4. CHOY, Isaac W.	✓			
5. EVANS, Cindy	✓			
6. HASHEM, Mark J.	✓			
7. McKELVEY, Angus L.K.	✓			
8. NISHIMOTO, Scott Y.				✓
9. TSUJI, Clift	✓			
10. CHING, Corinne W.L.				✓
11. MARUMOTO, Barbara C.		✓		
TOTAL (11)	9	1		✓

The recommendation is: Adopted Not Adopted
 If joint referral, _____ did not support recommendation.

Vice Chair's or designee's signature: _____

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