

STAND. COM. REP. NO.

723

Honolulu, Hawaii

MAR 04 2011

RE: S.B. No. 1355
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1355 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Adopt amendments to state tax laws to allow the State to participate in the national Streamlined Sales and Use Tax Agreement, to take effect when the State becomes a party to the Streamlined Sales and Use Tax Agreement; and
- (2) Create a committee to oversee the Department of Taxation's implementation and administration of and compliance with the Streamlined Sales and Use Tax Agreement.

Your Committee received comments in support of this measure from Craig Hirai, Hawaii Association of Realtors. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the Streamlined Sales Tax Project is a working group of revenue officials and experts with the stated purpose of bringing simplicity and uniformity to sales taxes in the United States, in order to allow the collection of interstate sales taxes without placing burdens on interstate

SB1355 SD1 SSCR LRB 11-2363.doc



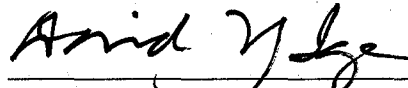
commerce. Your Committee also finds that participation in the Streamlined Sales and Use Tax Agreement has the potential to achieve better tax definitions and uniformity between participating states, as well as improved tax compliance by interstate vendors.

Your Committee has amended this measure by:

- (1) Changing the percentages of all amendments to state tax laws to blank amounts;
- (2) Changing the effective date to July 1, 2050; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1355, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1355, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,




DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 1355	Committee Referral: EDT, WAM	Date: 2/24/11		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)				✓
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani				✓
ESPERO, Will	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado	✓			
KAHELE, Gilbert	✓			
KOUCHI, Ronald D.	✓			
RYAN, Pohai	✓			
TOKUDA, Jill N.	✓			
WAKAI, Glenn	✓			
SLOM, Sam	WHT P10		✓	
TOTAL	11	0	1	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes