

Honolulu, Hawaii

March 16, 2012

RE: S.B. No. 3017
S.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Tourism, to which was referred S.B. No. 3017, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE TRANSIENT ACCOMMODATIONS TAX,"

begs leave to report as follows:

The purpose of this measure is to clarify that the daily \$10 taxes on transient accommodations furnished on a complimentary or gratuitous basis include certain types of prizes or gifts, but does not include transient accommodations furnished as part of a tourism industry promotional or marketing activity.

The Department of Taxation, Hawaii Lodging & Tourism Association, Outrigger Enterprises Group, and Starwood Hotels and Resorts testified in support of this measure. The Hawaii Tourism Authority and Tax Foundation of Hawaii provided comments.

Your Committee notes the questions raised by the Hawaii Tourism Authority and respectfully requests the Committee on Finance to ask the Department of Taxation:

- (1) Is it worth collecting this complimentary or gratuitous transient accommodations tax?
- (2) Since 2011, when Act 105 went into effect, how much Transient Accommodation Tax was collected from the \$10 tax on complimentary or gratuitous accommodations?



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 S.B. No. 3017, S.D. 2, and recommends that it pass Second Reading 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.: <i>SB 3017, SD2</i>	Committee Referral: <i>TOU, FIN</i>	Date: <i>Nov. 12, 2012</i>		
<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)				
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)	10	0	0	1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ committee acronym(s) did not support recommendation.				
Vice Chair's or designee's signature: <i>[Signature]</i>				
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