

**NEIL ABERCROMBIE**  
GOVERNOR

**BRIAN SCHATZ**  
LT. GOVERNOR



# LATE TESTIMONY

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January 23, 2012

To: The Honorable Ryan I. Yamane, Chair  
and Members of the House Committee on Health

Date: Tuesday, January 24, 2012

Time: 10:00 a.m.

Place: Conference Room 329, State Capitol

From: Frederick D. Pablo, Director  
Department of Taxation

Re: H.B. No. 1723 Relating to the Tricare Program

This measure repeals the sunset date for Act 70, Session Laws of Hawaii 2009 which is scheduled to take effect on December 31, 2013.

The Department of Taxation (Department) supports this measure.

Tricare is a program established by the United States Department of Defense to provide managed medical care to military members and their dependents. Act 70, Session Laws of Hawaii 2009, provided an exemption to Tricare from the general excise tax on amounts received from the Department of Defense but that are paid to third party service providers. That measure, however, has a sunset date for the exemption of December 31, 2013. The purpose of this measure is to remove that sunset date and to make the exemption permanent.