



HAWAII LODGING & TOURISM
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**TESTIMONY OF MUFI HANNEMANN
PRESIDENT & CEO
HAWAII LODGING & TOURISM ASSOCIATION**

LATE

February 23, 2012

RE: HB 2078 HD 1 Relating to Taxation

Aloha Chairperson Oshiro and members of the House Committee on Finance. I am Mufi Hannemann, President & CEO of the Hawai'i Lodging & Tourism Association (fka The Hawaii Hotel & Lodging Association).

The Hawai'i Lodging & Tourism Association is a statewide association of hotels, condominiums, timeshare companies, management firms, suppliers, and other related firms and individuals. Our membership includes over 150 lodging properties representing over 48,000 rooms. Our lodging members range from the 2,680 rooms of the Hilton Hawaiian Village to the 4 rooms of the Bougainvillea Bed & Breakfast on the Big Island.

The Hawaii Lodging & Tourism Association opposes HB 2078 HD1 Relating to Taxation. We understand the intent of this measure is to identify those "illegal" vacation rentals that are not registered and do not pay the transient accommodations tax. It is our understanding that hotel/hotel condos whose hundreds of units are individually owned but managed by one company, would have to list all of the individual units registration identification numbers in the advertisement.

We question if there is staffing to research all of the ads as well as confirm the registration numbers to the units/property. We suggest that the manpower instead be used to enforce the existing law.

Mahalo for this opportunity to testify.

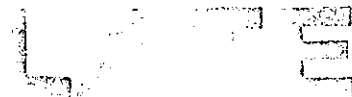


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February 23, 2012

The Honorable Marcus R. Oshiro, Chair
House Committee on Finance
State Capitol, Room 308
Honolulu, Hawaii 96813



RE: H.B. 2078, H.D.1, Relating To Taxation

HEARING: Thursday, February 23, 2012, at 1:00 p.m.
AGENDA #4

Aloha Chair Oshiro, Vice Chair Lee, and Members of the Committee:

I am Myoung Oh, Government Affairs Director, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 8,500 members. HAR **supports** H.B. 2078, H.D.1 which requires that all advertisements and solicitations in any medium for transient accommodations conspicuously display their transient accommodations registration number. It also requires that any advertisements or solicitations that appear on any website provide contact information for a local agent if the operator of the residential property resides off-island or out-of-state.

HAR understands the importance of ensuring that the State is able to collect the appropriate amount of taxes owed by nonresident property owners. We support H.B. 2078, H.D.1 because we believe it will help Department of Taxation (DoTax) with tax compliance by requiring owners to display their transient accommodation registration number in all advertisements and solicitations. This approach will help meet the objective of collecting taxes by: 1) requiring that property owners register with the DoTax for a registration number in order to display their numbers and 2) assisting DoTax with identifying unregistered property owners.

For the forgoing reasons, HAR supports the passage of H.B. 2078, H.D.1.

Mahalo for the opportunity to testify.

