

LATE TESTIMONY

WRITTEN ONLY

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 741, S.D. 1, PROPOSED H.D. 1

April 4, 2011

RELATING TO INTOXICATING LIQUOR

Senate Bill No. 741, S.D. 1, Proposed H.D. 1, increases liquor tax rates by twenty percent, and reduces the tax rate for small breweries and brew pubs. The bill also makes it lawful to provide a discount for liquor purchases through coupons or mail-in rebates when made in combination with other merchandise.

The Department of Budget and Finance supports this proposal. Given the financial situation of the State, we believe an increase in the liquor tax may help us address the general fund budget shortfall.

We defer to the Department of Taxation regarding technical issues of the bill.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, April 04, 2011 2:45 PM
To: FINTestimony
Cc: sfazekas@youngsmarket.com
Subject: Testimony for SB741 on 4/4/2011 3:30:00 PM

LATE TESTIMONY

Testimony for FIN 4/4/2011 3:30:00 PM SB741

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Susan Fazekas
Organization: Individual
Address:
Phone:
E-mail: sfazekas@youngsmarket.com
Submitted on: 4/4/2011

Comments:

I strongly oppose the proposed tax increase on alcohol. A tax increase will be detrimental to the rebuilding of our economy from the past 2 years of decline. Our customers have already pulled away from buying more expensive liquors and wines. Now with the cost of fuel and shipping on the rise, we are sure to suffer from job losses if this bill goes through. Please understand that tourists are already being price gouged at the resorts with the cost of beverages. ANY increase in cost will be sure to have a negative impact on tourism in the islands.

LATE TESTIMONY

NO TO SB741

INCREASING THE TAX ON LIQUOR, BEER & WINE

Hello, my name is Shana Yoshinaga & I am currently the Graphic Manager at Better Brands Ltd. I am writing to let you know that I strongly but respectfully oppose SB741 which encompasses increasing the of taxes of alcohol by 50%.

Passing this bill will cause a huge detriment to our local economy by negatively affecting Hawaii's Service Industry, which not only support thousands of local residents but directly impacts our most important industry: *Tourism*.

If passed, this bill could be responsible for the loss of many local businesses and salaried wages. From a personal stand point this industry is one of the very few on the island that supports my specific trade while also providing me with a competitive annual salary, retirement and health benefits.

I hear that this bill is also being promoted as a "healthy lifestyle" change. I don't think it is right to pass a bill in order to discourage people from making a specific personal choice that clearly abides by state laws. It comes down to social responsibility and self-moderation. It will unnecessarily take more money from the pockets of hard-working consumers & out-of-state visitors only to go back to the State.

In summary, this bill will negatively impact wages, local residents, local businesses and tourism. Please do not pass this tax increase. Thank You for taking the time to read what I have to say.

Sincerely,

Shana K. Yoshinaga

Graphic Manager | Better Brands Ltd. | Division of Young's Market Co.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, April 04, 2011 2:17 PM
To: FINTestimony
Cc: bwaihee@youngsmarket.com
Subject: Testimony for SB741 on 4/4/2011 3:30:00 PM

Testimony for FIN 4/4/2011 3:30:00 PM SB741

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Brandon Waihee
Organization: Individual
Address:
Phone:
E-mail: bwaihee@youngsmarket.com
Submitted on: 4/4/2011

LATE TESTIMONY

Comments:

I am strongly opposed to the proposed raise on the alcohol tax here in Hawaii because it will surely cause a great many loss is jobs in a already unstable economic time. I have been working in the liquor business for the past 10 years and feel that the tax increase will be detrimental to many businesses and people in teh islands. Our economy is already struggling here from the after effects of what the tsunami did not only to my island but also to the Country of Japan. Flight from have already been announce that they will be cut which will have a great impact to ur States tourism revenue. Please vote no.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, April 04, 2011 2:09 PM
To: FINTestimony
Cc: kniitani@youngsmarket.com
Subject: Testimony for SB741 on 4/4/2011 3:30:00 PM

Testimony for FIN 4/4/2011 3:30:00 PM SB741

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Kerry Niitani
Organization: Individual
Address:
Phone:
E-mail: kniitani@youngsmarket.com
Submitted on: 4/4/2011

Comments:
I have attached my letter.

LATE TESTIMONY

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, April 04, 2011 2:11 PM
To: FINTestimony
Cc: 7gchavez7@gmail.com
Subject: Testimony for SB741 on 4/4/2011 3:30:00 PM

Testimony for FIN 4/4/2011 3:30:00 PM SB741

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Gerald Chavez
Organization: Individual
Address:
Phone:
E-mail: 7gchavez7@gmail.com
Submitted on: 4/4/2011

Comments:

LATE TESTIMONY

SB 741

Dear Representative,

I strongly oppose the proposed increase of taxes on alcohol. Many of Hawaii's businesses, including ourselves, are just digging themselves out of this recessionary hole. This tax would have a negative impact on our local consumer as well as our hospitality and visitor industry. The decline in business, due to higher prices, is a predictable certainty and will mean the loss of jobs in all sectors our business.

On a personal note, my wife recently lost her job because the company she worked for was moving most of their jobs to the mainland because of the cost of doing business in Hawaii. I am extremely concerned about the loss of jobs in our state and feel this proposed tax increase is a move in the wrong direction.

Please, I ask that you as our elected lawmakers do not increase taxes on alcohol, since we already have some of the highest alcohol tax rates across the nation. Lets not hurt the industry that is so closely tied to the economic success of local businesses, tourism, and our general public. Thank you for your consideration.

Mark Perry
59 Kaapuni Dr.
Kailua, HI 96734

Yes you may use my letter for testimony.

Mark Perry
On Premise-Area Manager
Better Brands
mperry@youngsmarket.com
Office- (808) 676-6129
Cell- (808) 864-7781

LATE TESTIMONY

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, April 04, 2011 2:04 PM
To: FINTestimony
Cc: dkbeds@hotmail.com
Subject: Testimony for SB741 on 4/4/2011 3:30:00 PM

LATE TESTIMONY

Testimony for FIN 4/4/2011 3:30:00 PM SB741

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Dyan Kaneshiro Bednar
Organization: Individual
Address:
Phone:
E-mail: dkbeds@hotmail.com
Submitted on: 4/4/2011

Comments:

I am stornoly opposed to the prospective tax increase on the sale of alcohol. As a slesperson for a distributo of wine and spirits, I can tell you from experience that our clients are extremely price-sensitive. If the tax increase passes both ditribuot and reltailer will be forced to cutback in other expenses which i smost easily done by layin goff employees. the shortfall tha the Government is in right now is tied to elected officials not being fiscally responsible to society as a whoe. Why should my already hevily taxed industry suffer more grievous losses because our repsentatives themselves are not being held to that same accoutability as those of us in the private sector? Please realize that increasing the taxes of my industry is not the wya to solve the State's fiscal woes that can only be done if all taxpayers are taxed and all legislators held accountable fo the State's spending.

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, April 04, 2011 1:56 PM
To: FINTestimony
Cc: aamaranto@youngsmarket.com
Subject: Testimony for SB741 on 4/4/2011 3:30:00 PM

Testimony for FIN 4/4/2011 3:30:00 PM SB741

LATE TESTIMONY

Conference room: 308
Testifier position: oppose
Testifier will be present: No
Submitted by: Anothony Amaranto
Organization: Individual
Address:
Phone:
E-mail: aamaranto@youngsmarket.com
Submitted on: 4/4/2011

Comments:

Hello,my name is Anthony Amaranto and I work for a Wine and Spirits distributor here in our State. I am opposing the Governor's proposal to increasae Alcohol Taxes in Hawaii and I do hope you vote NO to this proposal.

Any amount of tax increase in alcohol will have a negative impact in sales, thus will lead to loss of jobs i the struggling hospitality industry. Current sgate of our economy, tax increais is the last thing we want to do. We need to finad a better solution to our Stte Budget problems. Single handedly aiming a t one struggling hospitality industry will have a domino effect and will make things worst. Plain and simple, Alchohol Tax invrease is not the answer.

So as your constituent in your district, I strongly suggest that you vote NO to the Governor Abercombie's Alchohol Tax Increase Proposal.

Aloha,
Anthony Amaranto

SB 741

Rebecca Spray
95-1030 Eulu St.
Mililani, HI 96789

April 3, 2011

LATE TESTIMONY

Dear Representative,

I strongly oppose the proposed increase in taxes on alcohol. Raising the tax on alcoholic beverages would have a negative impact on the sales and consumption of alcoholic beverages. This will ultimately result in a loss of jobs and you would have less people paying taxes due to the employees related to the industry on unemployment.

I know that you have a hard job in finding ways to reduce the big deficit but please consider the long term negative effects that raising the alcohol taxes will have on the economy, loss of business of mom an pop stores, restaurants and hotels, and our tourist industry.

Thank you for your time and please consider voting against the proposed increase in taxes on alcohol. Please feel free to call me at 285-4490 if you would like to further discuss my opposition of this bill.

You have my permission to used this correspondence for testimony on this bill.

Sincerely,



Rebecca Spray

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Monday, April 04, 2011 1:54 PM
To: FINTestimony
Cc: hharris@youngsmarket.com
Subject: Testimony for SB741 on 4/4/2011 3:30:00 PM

Testimony for FIN 4/4/2011 3:30:00 PM SB741

Conference room: 308
Testifier position: oppose
Testifier will be present: Yes
Submitted by: Harry Harris
Organization: Individual
Address:
Phone:
E-mail: hharris@youngsmarket.com
Submitted on: 4/4/2011

LATE TESTIMONY

Comments:
This tax targets only one industry in a discriminatory nature.

April 1, 2011

LATE TESTIMONY

SB 741

Representative Marcus Oshiro,

I am strongly opposed to the proposed raise of the tax on alcohol. Increasing the state tax on alcohol will make our wine and all other alcohol products in our state even more expensive. With the bad economy that everyone's experiencing throughout the state and the cost of living being at its highest in year, it would hurt everyone with an additional alcohol tax increase. Companies, vendors, and restaurant might and probably would be forced to downsize their employees to offset the higher alcohol tax which in return would cause extensive layoffs and added unemployment. The state can't afford it. We are talking not only beer and liquor distribution companies but also any company or vendor for these companies, restaurants, little mon and pop store and also chain stores like Safeway Supermarket, Foodland and Times. If there is no one to dine in, why should they come to Hawaii and spend their money here. Would only add to the ongoing problems that we as a state are currently experiencing. Please put a lot of thought and consideration when making your decision.

Allen Young
Ayoung@youngmarket.com