

JAN 24 2013

---

# A BILL FOR AN ACT

RELATING TO HEALTH.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Chapter 237, Hawaii Revised Statutes, is  
2 amended by adding two new sections to be appropriately  
3 designated and to read as follows:

4           "§237-       Exemption for farmers of fresh farm produce. (a)

5 This chapter shall not apply to amounts received by a farmer for  
6 the sale of fresh farm produce that is intended for human  
7 consumption within the State; provided that farmers shall have  
8 registered with the department of taxation by filling out a  
9 written application for registration in such form as the  
10 department of taxation shall prescribe, shall have paid a  
11 registration fee of \$                      and annually thereafter, and  
12 shall have had the exemption approved by the department of  
13 taxation.

14           This exemption shall not apply to sales of fresh farm  
15 produce intended for human consumption abroad.

16           (b) For purposes of this section:



1 "Farmer" means a person or entity, of whatsoever size, who  
2 cultivates the land in order to grow fresh farm produce for  
3 human consumption.

4 "Fresh farm produce" means all fresh fruits and vegetables  
5 grown in the soil or hydroponically, whether or not organic,  
6 that are sold in the same condition generally as when they were  
7 harvested.

8 §237- Exemption for retail sales of fresh farm produce.

9 (a) This chapter shall not apply to amounts received by a  
10 seller for the sale of fresh farm produce that is intended for  
11 human consumption within the State; provided that sellers shall  
12 have registered with the department of taxation by filling out a  
13 written application for registration in such form as the  
14 department of taxation shall prescribe, shall have paid a  
15 registration fee of \$ \_\_\_\_\_ and annually thereafter, and  
16 shall have had the exemption approved by the department of  
17 taxation.

18 This exemption shall not apply to sales of fresh farm  
19 produce intended for human consumption abroad.

20 (b) For purposes of this section:

21 "Fresh farm produce" means all fresh fruits and vegetables  
22 grown in the soil or hydroponically, whether or not organic,



1 that are sold in the same condition generally as when they were  
2 harvested.

3 "Seller" means any person, business, or entity engaged in  
4 the retail sale of fresh farm produce in the State."

5 SECTION 2. New statutory material is underscored.

6 SECTION 3. This Act, upon its approval, shall apply to  
7 gross income or gross proceeds received after December 31, 2013.

8

INTRODUCED BY:

*Imre Mercede K.*



# S.B. NO. 1381

**Report Title:**

Health; General Excise Tax; Farmer; Fresh Farm Produce; Retail Sales

**Description:**

Provides a GET exemption on amounts received by farmers and retailers for the sale of fresh farm produce intended for consumption within the State.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

