

HOUSE OF REPRESENTATIVES  
THE TWENTY-SEVENTH LEGISLATURE  
REGULAR SESSION OF 2013

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NOTICE OF HEARING

DATE: Thursday, March 14, 2013  
TIME: 2:00 P.M.  
PLACE: Conference Room 308  
State Capitol  
415 South Beretania Street

A G E N D A

<a href="#">SB 1092, SD1</a> <a href="#">(SSCR780)</a> <a href="#">Status</a>	MAKING AN APPROPRIATION TO RECAPITALIZE THE HURRICANE RESERVE TRUST FUND. Makes a general fund appropriation of an unspecified amount for fiscal year 2014-2015 to recapitalize the hurricane reserve trust fund.	FIN
<a href="#">SB 1094, SD1</a> <a href="#">(SSCR555)</a> <a href="#">Status</a>	MAKING AN APPROPRIATION TO THE EMERGENCY AND BUDGET RESERVE FUND. Makes a general fund appropriation of \$        for fiscal year 2014-2015 to recapitalize the emergency and budget reserve fund.	FIN
<a href="#">SB 1184, SD1</a> <a href="#">(SSCR505)</a> <a href="#">Status</a>	RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE. Conforms Hawaii income tax law with amendments made to the Internal Revenue Code as of 1/2/2013.	FIN
<a href="#">SB 1185, SD1</a> <a href="#">(SSCR465)</a> <a href="#">Status</a>	RELATING TO DENIAL OF GENERAL EXCISE TAX BENEFITS. Mandates that nonprofit organizations receive notice before denial of general excise tax benefit; limits liability of persons having control of certain amounts held in trust for nonprofit organizations; and defines "nonprofit organization".	FIN
<a href="#">SB 1187, SD1</a> <a href="#">(SSCR502)</a> <a href="#">Status</a>	RELATING TO DELINQUENT TAXES. Establishes a reasonableness standard for determining when a tax is uncollectible.	FIN



<a href="#">SB 1188, SD1</a> <a href="#">(SSCR556)</a> <a href="#">Status</a>	<p>RELATING TO THE ESTATE AND GENERATION-SKIPPING TRANSFER TAXES.</p> <p>Amends the applicable exclusion amount by adding a definition for "nonresident not citizen". Clarifies the application of estate and generation-skipping taxes for civil union couples. Makes technical, housekeeping amendments to chapter 236E, HRS, for consistency.</p>	FIN
<a href="#">SB 1190, SD1</a> <a href="#">(SSCR557)</a> <a href="#">Status</a>	<p>RELATING TO THE IMPOSITION OF USE TAX ON IMPORTED CONTRACTING.</p> <p>Clarifies taxation of contracting under use and general excise tax laws.</p>	FIN
<a href="#">SB 1191, SD1</a> <a href="#">(SSCR466)</a> <a href="#">Status</a>	<p>RELATING TO BOARDS OF REVIEW.</p> <p>Allows for up to 3 boards of review per taxation district and allows members of one board to be temporarily assigned to another board within the same district for purposes of establishing and maintaining quorum.</p>	FIN
<a href="#">SB 1192, SD1</a> <a href="#">(SSCR501)</a> <a href="#">Status</a>	<p>RELATING TO COLLECTION OF TAXES.</p> <p>Increases the amount of time that the department of taxation has within which to sell property that has been seized due to a failure of the taxpayer to pay the tax delinquency and provides for a tolling of the time period if any party commences an action concerning the seized property.</p>	FIN
<a href="#">SB 1193, SD1</a> <a href="#">(SSCR467)</a> <a href="#">Status</a>	<p>RELATING TO SECTION 237-24.3, HAWAII REVISED STATUTES.</p> <p>Eliminates the general excise tax exemption for liquor, tobacco, and food sold to common carriers. Effective 07/01/2050.</p>	FIN
<a href="#">SB 1197, SD1</a> <a href="#">(SSCR559)</a> <a href="#">Status</a>	<p>RELATING TO THE DEPARTMENT OF TAXATION SPECIAL ENFORCEMENT SECTION.</p> <p>Deletes the sunset provisions for the special enforcement section of the department of taxation.</p>	FIN
<a href="#">SB 1203, SD1</a> <a href="#">(SSCR560)</a> <a href="#">Status</a>	<p>RELATING TO CONFORMITY OF THE HAWAII ESTATE AND GENERATION-SKIPPING TRANSFER TAX LAW TO THE INTERNAL REVENUE CODE.</p> <p>Amends the Hawaii estate and generation-skipping transfer tax law to conform to the Internal Revenue Code in existence on 01/02/2013.</p>	FIN
<a href="#">SB 1206, SD1</a> <a href="#">(SSCR507)</a> <a href="#">Status</a>	<p>RELATING TO TAX COLLECTION.</p> <p>Clarifies provisions regarding the collection of taxes.</p>	FIN
<a href="#">SB 1360, SD1</a> <a href="#">(SSCR705)</a> <a href="#">Status</a>	<p>RELATING TO GENERAL EXCISE TAX.</p> <p>Makes permanent the general excise tax exemptions for condominium common expenses paid by managers, submanagers, and suboperators and for hotel employee expenses paid by hotel operators and timeshare projects. Eliminates the aggregate cap of \$400,000 for taxpayers eligible for the exemptions. Effective 07/01/2050.</p>	FIN



**Copies of the proposed HD1 are available in room 306 and on the  
Legislature's Web site: <http://www.capitol.hawaii.gov>.**

[SB 948, SD1  
\(SSCR468\)  
Status](#)

RELATING TO TAXATION.

FIN

**Proposed HD1:** Expands application of the general excise tax to business activities in the State that are significantly associated with a seller's ability to establish or maintain a market in the State. Creates a presumption under the general excise tax law for sellers of tangible personal property where the seller's activities in the State demonstrate a significant business nexus with the State. Creates a presumption under the use tax law that a seller is engaged in business in the State if the seller's activities in the State demonstrate a significant business nexus with the State. Effective July 1, 2030.

DECISION MAKING TO FOLLOW

Persons wishing to offer comments should submit testimony at least 24 hours prior to the hearing. Testimony should indicate:

- Testifier's name with position/title and organization;
- The Committee(s) to which the comments are directed;
- The date and time of the hearing; and
- Measure number.

While every effort will be made to incorporate all testimony received, materials received on the day of the hearing or improperly identified or directed, may be distributed to the Committee after the hearing.

Submit testimony in ONE of the following ways:

PAPER: 2 copies to Room 306 in the State Capitol;

FAX: For testimony less than 5 pages in length, transmit to 1-800-535-3859 (for Neighbor Islander without a computer to submit testimony through the website); or

WEB: For testimony less than 10MB in size, transmit from <http://www.capitol.hawaii.gov/submittestimony.aspx>.

Testimony submitted will be placed on the legislative website after the hearing adjourns. This public posting of testimony on the website should be considered when including personal information in your testimony.

If you require special assistance or auxiliary aids and/or services to participate in the House public hearing process (i.e., sign or foreign language interpreter or wheelchair accessibility), please contact the Committee Clerk at 586-6200 or email your request for an interpreter to [HouseInterpreter@Capitol.hawaii.gov](mailto:HouseInterpreter@Capitol.hawaii.gov) at least 24 hours prior to the hearing for arrangements. Prompt requests submitted help to ensure the availability of qualified individuals and appropriate accommodations.

Selected meetings are broadcast live. Check the current legislative broadcast schedule on the "Capitol TV" website at [www.capitoltv.org](http://www.capitoltv.org) or call 536-2100.

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Rep. Sylvia Luke  
Chair

