

# **SB 973**

## Testimony

NEIL ABERCROMBIE  
Governor



RUSSELL S. KOKUBUN  
Chairperson, Board of Agriculture

SCOTT E. ENRIGHT  
Deputy to the Chairperson

State of Hawaii  
DEPARTMENT OF AGRICULTURE  
1428 South King Street  
Honolulu, Hawaii 96814-2512  
Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF RUSSELL KOKUBUN  
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON AGRICULTURE  
February, 05, 2013  
Room 229  
2:50 P.M.

SENATE BILL NO. 973  
RELATING TO GENERAL EXCISE TAX

Chairperson Nishihara and Members of the Committee:

Thank you for this opportunity to provide testimony on SB 973. The Department of Agriculture supports this measure that provides sales of agricultural products by farmers to consumers within the State, be assessed the same general excise tax (GET) rate as producers under Section 237-13(2)(A), Hawaii Revised Statutes.

A reduced GET rate for farmers selling their produce to consumers within the State would encourage food production for local consumption and support the State's food security initiative.

The Department defers to the Department of Taxation on taxation matters contained in this bill that are under their jurisdiction. We also defer to the Department of Budget and Finance regarding the fiscal impacts of this measure.

Thank you, again, for the opportunity to testify on this measure.

Simon Russell  
Hui 'O Mālama 'Āina  
910-A E. Kuiaha Rd  
Haiku, HI 96078

Aloha Honorable Senators,

I am writing to support SB. 973 and tax exemption for small farms, and helping to create a level playing field tax wise between the industrial model of farming and small local farms.

Respectfully Submitted,  
Simon Russell  
Owner and Farmer  
Hui 'O Mālama 'Āina