

Legislative Issues

As the dust settles from the General Election, organizational efforts are going on in City Hall, the Capitol Executive Offices and in the House. The Senate is apparently organized. In play are leadership positions, chairmanships, offices, & unofficial positions. Our future rests in the hands of those selected to be State and City department heads, legislative and Council leaders and committee chairs. Many issues will live or die depending on the disposition of these people. The only thing that is <u>not</u> in doubt is the Senate Minority where Sam Slom will serve as Minority Leader, Floor Leader, Policy Leader, Whip and Chief Bottle Washer – since he is the *only* Republican in the entire body. We think he will enjoy it and is up the challenge.

Non-profits, beware of tax changes – See back page.



District Concerns



(above) Kids from Kahala Elementary School visit Rep. Marumoto's office

Liholiho and Waialae Schools Renovations – Each school will undergo "whole school" renovation costing \$4,073,500 each. Unfortunately there will be some disruption and disturbance to learning during the construction, but the Public Works will attempt to minimize problems.

Liholiho School No Child Left Behind/Blue Ribbon Winner! - Congratulations to King Liholiho School for being one of three schools recognized in 2011 for outstanding achievement and exceeding standards. Principal Christine Small and the faculty are to be commended. The sponsor, Frito-Lay, presented the schools with \$3,000.

<u>Kaimuki Items</u> – Kaimuki Business & Professional Association scholarships went to Rich Raquel from St. Louis High. He is now at U. of San Diego majoring in accounting. Another recipient was Adrienne Fung from Sacred Hearts Academy who is at Princeton majoring in chemical engineering. BC Burrito was featured in "Cheap Eats". Congratulations to Eric Wong, John Kobayashi and other key KBPA leaders for another successful Kanikapila.



(Left) Thank you Mayor Carlise for helping to underwrite the Kanipapila. With John Kobayashi, KBPA organizer. (Right) Rep. Marumoto and Kanipalila organizer, attorney Eric Wong, look at infant car seats.

<u>Kawamoto Wants a Museum on Kahala Avenue!</u> – Japanese billionaire Gensiro Kawamoto who owns 2 dozen plus properties on Kawamoto now wants to establish an art museum and garden on two consolidated lots. Does he have a variance in this single family neighborhood? Will he obtain one after the fact? If district organizations do not arrange a meeting, Rep. Marumoto will hold one to discuss this issue.

Rheumatoid Arthritis Meeting – Rep. Marumoto along with the Arthritis Foundation – Pacific Region – will hold a free public forum/luncheon on the subject the second week January somewhere in the neighborhood. Stay tuned for the date, time and place.

<u>Kaimuki Christmas Parade</u> – Bill Green with his treasured Classic Mustang will be driving Rep. Marumoto Thursday, Dec. 2nd. Watch for the Tree above the Kaimuki Fire Station to be lit shortly thereafter. Bill's daughter Susan is still at Straub after suffering burns from a kitchen accident, but she should be out before Christmas.

Marumoto Activities

Marumoto is slated to be Secretary of Women in Government – As an officer on WIG, Rep. Marumoto will attend the November meeting on Health Disparities in Washington D.C.

Rep. Marumoto is helping an individual who wants to purchase and donate a facility to house foster children who are "aging-out". Generally, the program only covers children 18 and younger. The representative can help by guiding individuals through the red tape of rules/regulations, departments and programs. She was also happy to support the Hawaii Fire Fighters Association fundraising concert.

<u>Signposts</u> – The "First Lady of Limu" passed away. The UH publication Malamalama recently featured Isabella Abbott, 90, world-renowned algae taxonomist and ethnobotany professor emerita. She was the first Native Hawaiian woman (her father was Chinese) to receive a PhD in science and the first woman faculty member of Stanford University's biological sciences department where she taught for 30 years. Abbott discovered 200 types of algae and an entire genus is named *Abbottella*.

Congratulations to District Winners – Councilman Stan Chang, 18th District Rep. Mark Hashem, and Sen. Sam Slom. Congratulations also to Rich Turbin, Chris Baron and the "fake" Larry Price for running good races.

Non-Profits, Beware of Tax Changes

Marumoto voted NO on this measure because she felt it could be a precursor to taxing certain non-profits.

On June 1, 2010, Governor Lingle signed House Bill 2595 HD1 SD2 CD1 into law as Act 155, SLH 2010. Known as the "GET Protection Act", this Act *denies* certain general excise tax benefits (including exemption from the tax) to certain non-profits (churches exempted) that fail to comply with administrative procedures. This Act poses new paperwork problems, especially for small organizations.

The simplest way to comply with Act 155, SLH 2010 is to meet the following administrative requirements:

• Filing for and obtaining a general excise tax license (available on Form BB-1, State of Hawaii Basic Business Application; and

• Filing the annual general excise tax reconciliation tax return on Form G-49, Annual Return & Reconciliation of General Excise/Use Tax Return, within 12 months from the due date of the return.

If you are already engaged in a business, you already do this. Where many nonprofits are getting hung up is when they don't raise a great deal of money, are too small, have a small budget, feel they have a small membership, etc . . . The scope of the legislation does *not* take this into consideration.

Please take immediate action to preserve your tax-exempt status and other general excise tax benefits. The following websites may be of assistance:

HANO warning: <u>http://hano-hawaii.org/october-newsletter/news-for-nonprofits/times-running-out-for-nonprofits-to-file-with-the-irs/</u>

Dept. of Taxation Tax Info Release: http://www6.hawaii.gov/tax/tir/tir10-05.pdf

IRS FAQ page of links to more information: <u>http://www.irs.gov/charities/article/0,,id=225954,00.html</u>

IRS list of at-risk nonprofits: http://www.irs.gov/pub/irs-tege/hi.pdf