

JAN 16 2014

A BILL FOR AN ACT

RELATING TO FOOD AND MEDICAL SERVICES.

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

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

4 "§237- Exemption for food and medical services. (a)

5 There shall be exempted from, and excluded from the measure of,
6 the taxes imposed by this chapter all of the gross proceeds
7 arising from the sale of food and medical services.

8 (b) As used in this section, "food" means:

9 (1) Any food or food product for home consumption
10 purchased at a grocery store, market, or open market
11 except alcoholic beverages, tobacco, hot foods or hot
12 food products ready for immediate consumption other
13 than those authorized by the following subsections;

14 (2) Seeds and plants for use in gardens to produce food
15 for the personal consumption of the eligible
16 household;

17 (3) In the case of those persons who are sixty years of
18 age or over or who receive supplemental security



1 income benefits or disability or blindness payments
2 under title I, II, X, XIV, or XVI of the Social
3 Security Act (42 U.S.C. 301 et seq., 401 et seq., 1201
4 et seq., 1351 et seq., 1381 et seq.) and their
5 spouses, meals prepared by and served in senior
6 citizens' centers, apartment buildings occupied
7 primarily by such persons, public or private nonprofit
8 establishments, eating or otherwise, that feed such
9 persons, private establishments that contract with the
10 appropriate agency of the State to offer meals for
11 such persons at concessional prices, and meals
12 prepared for and served to residents of federally
13 subsidized housing for the elderly;

14 (4) In the case of persons sixty years of age or over and
15 persons who are physically or mentally handicapped or
16 otherwise so disabled that they are unable adequately
17 to prepare all of their meals, meals prepared for and
18 delivered to them and their spouses at their home by a
19 public or private nonprofit organization or by a
20 private establishment that contracts with the
21 appropriate state agency to perform such services at
22 concessional prices;



1 (5) In the case of disabled or blind recipients of
2 benefits under title I, II, X, XIV, or XVI of the
3 Social Security Act (42 U.S.C. 301 et seq., 401 et
4 seq., 1201 et seq., 1351 et seq., 1381 et seq.), who
5 are residents in a public or private nonprofit group
6 living arrangement that serves no more than sixteen
7 residents and is certified by the appropriate state
8 agency or agencies, meals prepared and served under
9 such arrangement;

10 (6) In the case of women and children temporarily residing
11 in public or private nonprofit shelters for battered
12 women and children, meals prepared and served by such
13 shelters; and

14 (7) In the case of households that do not reside in
15 permanent dwellings and households that have no fixed
16 mailing addresses, meals prepared for and served by a
17 public or private nonprofit establishment approved by
18 an appropriate state or local agency that feeds such
19 individuals and by private establishments that
20 contract with the appropriate agency of the state to
21 offer meals for such individuals at concessional
22 prices.

S.B. NO. 2169

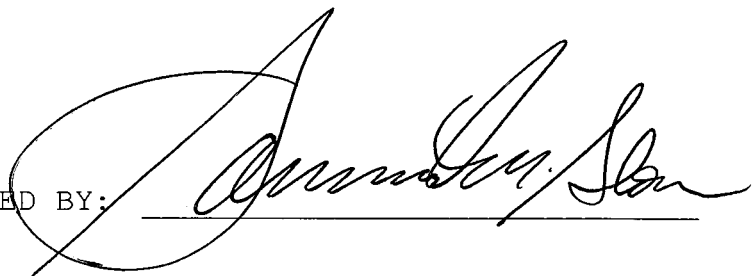
1 (c) As used in this section, "medical services" means:
2 Professional services provided by hospitals and medical clinics
3 and facilities that are licensed by the appropriate state
4 agencies and services rendered under chapters 436E, 442, 447,
5 448, 448B, 451A, 451J, 452, 453, 455, 457, 457A, 457G, 458, 459,
6 460, 461, 461J, 463E, 465, 466J, 468E."

7 SECTION 2. This Act shall not apply to foods purchased in
8 restaurants or via restaurant delivery services other than those
9 services specified in section 1 of this Act.

10 SECTION 3. New statutory material is underscored.

11 SECTION 4. This Act shall take effect upon its approval
12 and shall apply to taxable years beginning after December 31,
13 2014.

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INTRODUCED BY: 

S.B. NO. 2169

Report Title:

General Excise Tax; Food and Medical Services

Description:

Provides an exemption for food and medical services from the general excise tax.

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