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## A BILL FOR AN ACT

RELATING TO EXEMPTING FOOD FROM THE GENERAL EXCISE TAX.

**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. There shall be exempted  
5 from, and excluded from the measure of, the taxes imposed by  
6 this chapter all of the gross proceeds or income arising from  
7 the manufacture, production, packaging, and sale of food items  
8 within the State.

9           As used in this section, "food items" means any food or  
10 food product for home consumption except alcoholic beverages,  
11 tobacco, and food products prepared at the place of sale or at  
12 another location and sold primarily for immediate or nearly  
13 immediate consumption, and:

14           (1) In the case of those persons who are sixty years of  
15 age or over or who receive supplemental security  
16 income benefits under Title XVI of the Social Security  
17 Act (42 U.S.C. §1381 et seq.), and their spouses,



1 includes meals prepared by and served in senior  
2 citizens' centers, apartment buildings occupied  
3 primarily by senior citizens, private nonprofit  
4 establishments (eating or otherwise) that feed senior  
5 citizens, private establishments that contract with  
6 the appropriate agency of the State to offer meals for  
7 senior citizens at concessional prices, and meals  
8 prepared for and served to residents of federally  
9 subsidized housing for the elderly;

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

19 (3) In the case of narcotics addicts or alcoholics served  
20 by drug addiction or alcoholic treatment and



1           rehabilitation programs, includes meals prepared and  
2           served under rehabilitation programs;

3           (4) In the case of disabled or blind recipients of  
4           benefits under Title II or Title XVI of the Social  
5           Security Act (42 U.S.C. §§401 et seq., 1381 et seq.)  
6           who are residents in a public or private nonprofit  
7           group living arrangement that serves not more than  
8           sixteen residents and is certified by the appropriate  
9           state agency or agencies under regulations issued  
10           under section 1616(e) of the Social Security Act (42  
11           U.S.C. §1382e(e)(1)), includes meals prepared and  
12           served under the arrangement; and

13           (5) In the case of women and children temporarily residing  
14           in public or private nonprofit shelters for battered  
15           women and children, includes meals prepared and served  
16           by the residential shelters.

17           The term "food items" may be further defined by the  
18           department of taxation through the enumeration of items in rules  
19           or informational releases; provided that the department shall  
20           consult with the Food and Nutrition Service of the United States



1 Department of Agriculture in further defining the term "food  
2 items" for food stamp purposes."

3 SECTION 2. New statutory material is underscored.

4 SECTION 3. This Act shall take effect on July 1, 2015.

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JAN 26 2015



**Report Title:**

General Excise Tax; Food; Exemption

**Description:**

Exempts the sale of food from the general excise tax.

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

