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# A BILL FOR AN ACT

RELATING TO TRANSIENT ACCOMMODATIONS TAX.

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

1           SECTION 1. Section 237D-3, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§237D-3 Exemptions.** This chapter shall not apply to:

4           (1) Health care facilities including all such facilities  
5           enumerated in section 321-11(10);

6           (2) School dormitories of a public or private educational  
7           institution providing education in grades kindergarten  
8           through twelve, or of any institution of higher  
9           education;

10          (3) Lodging provided by nonprofit corporations or  
11          associations for religious, charitable, or educational  
12          purposes; provided that this exemption shall apply  
13          only to the activities of the religious, charitable,  
14          or educational corporation or association as such and  
15          not to any rental or gross rental the primary purpose  
16          of which is to produce income even if the income is  
17          used for or in furtherance of the exempt activities of



1           such religious, charitable, or educational corporation  
2           or association;

3           (4) Living accommodations for persons in the military on  
4           permanent duty assignment to Hawaii, including the  
5           furnishing of transient accommodations to those  
6           military personnel who receive temporary lodging  
7           allowances while seeking accommodations in Hawaii or  
8           while awaiting reassignment to new duty stations  
9           outside the State;

10          (5) Low-income renters receiving rental subsistence from  
11          the state or federal governments and whose rental  
12          periods are for durations shorter than sixty days;

13          (6) Operators of transient accommodations who furnish  
14          accommodations to full-time students enrolled in an  
15          institution offering post-secondary education. The  
16          director of taxation shall determine what shall be  
17          deemed acceptable proof of full-time enrollment. This  
18          exemption shall also apply to operators who furnish  
19          transient accommodations to students during summer  
20          employment;



- 1 (7) Accommodations furnished without charge such as, but  
2 not limited to, complimentary accommodations,  
3 accommodations furnished to contract personnel such as  
4 physicians, golf or tennis professionals, swimming and  
5 dancing instructors, and other personnel to whom no  
6 salary is paid or to employees who receive room and  
7 board as part of their salary or compensation; [~~and~~]
- 8 (8) Accommodations furnished to foreign diplomats and  
9 consular officials who are holding cards issued or  
10 authorized by the United States Department of State  
11 granting them an exemption from state taxes[-]; and
- 12 (9) When an individual is receiving health care services  
13 in a county other than the county where the individual  
14 resides, accommodations furnished to the individual,  
15 or the individual's immediate family members, spouse,  
16 or civil union partner, for the sole purpose of  
17 serving as temporary lodging while the individual  
18 receives the health care services. The director of  
19 taxation shall determine what shall be deemed  
20 acceptable proof of the receipt of health care  
21 services.



1 As used in this section, "health care services" means services  
2 for the diagnosis, prevention, treatment, cure, or relief of a  
3 health condition, illness, injury, or disease, but does not  
4 include elective cosmetic procedures."

5 SECTION 2. This Act does not affect rights and duties that  
6 matured, penalties that were incurred, and proceedings that were  
7 begun before its effective date.

8 SECTION 3. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2030.



**Report Title:**

Transient Accommodations Tax; Exemptions; Health Care Services

**Description:**

Exempts from the Transient Accommodations Tax, accommodations provided solely for use as temporary lodging by an individual, or the individual's immediate family members, spouse, or civil union partner while the individual is receiving health care services in a county in which the individual does not reside.  
(HB999 HD2)

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

