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# A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. The purpose of this Act is to address taxation.

2 More specifically, this Act requires the department of  
3 taxation to publish reports of certain general excise tax  
4 exemptions.

5 SECTION 2. Section 231-3.4, Hawaii Revised Statutes, is  
6 amended to read as follows:

7 "**§231-3.4 Publication of reports.** (a) The department of  
8 taxation shall publish reports on the following:

9 (1) Hawaii income patterns--individuals;

10 (2) Hawaii income patterns--corporations, proprietorships,  
11 and partnerships; ~~and~~

12 (3) ~~[Tax]~~ Income tax credits[-]; and

13 (4) General excise tax exemptions that:

14 (A) Are tax expenditures at the wholesale rate;

15 (B) Are tax expenditures at the retail rate; and

16 (C) May be foregone opportunities to export taxes;

17 provided that the department of taxation shall have

18 the discretion to determine the exemptions that fit



1           within each of the categories within subparagraphs  
 2           (A), (B), and (C) and those that do not fit into any  
 3           of the categories. The department shall not be  
 4           required to publish reports on exemptions that do not  
 5           fit into any of the categories.

6           (b) The department shall make each of these reports  
 7 available in both paper form and commonly accessible electronic  
 8 forms.

9           ~~[(c) The department of taxation shall report to the~~  
 10 ~~legislature no later than twenty days prior to the convening of~~  
 11 ~~each regular session; provided that on or before December 31,~~  
 12 ~~2012, the department shall report to the legislature on:~~

- 13           ~~(1) The resources and information needed to complete the~~  
 14           ~~reports required under subsection (a) (3);~~
- 15           ~~(2) An identification of the best means of providing~~  
 16           ~~information in an electronic format in the future; and~~
- 17           ~~(3) Recommendations for additional information that may be~~  
 18           ~~required for inclusion in the reports as the~~  
 19           ~~department upgrades its tax computer systems and~~  
 20           ~~associated enterprise resource planning~~  
 21           ~~implementation.~~



1       ~~(d)]~~ (c) The department may explore and implement all  
2 reasonable methods of covering the costs of distribution of the  
3 reports, including but not limited to:

4           (1) Setting reasonable fees that will cover the costs of  
5 producing and distributing the reports in paper and  
6 electronic form; and

7           (2) Negotiating licensing fees with commercial information  
8 providers for rights to carry the reports on-line or  
9 in other electronic storage methods."

10       SECTION 3. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12       SECTION 4. This Act shall take effect upon its approval.



S.B. NO. 92  
S.D. 1

**Report Title:**

General Excise Tax Exemptions; Report

**Description:**

Requires DOTAX to publish reports on certain general excise tax exemptions. Repeals specific annual reporting deadlines. (SD1)

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

