

STAND. COM. REP. NO. 953

Honolulu, Hawaii

MAR 24 2015

RE: H.B. No. 1327
H.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Tourism and International Affairs, to which was referred H.B. No. 1327, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO REAL PROPERTY,"

begs leave to report as follows:

The purpose and intent of this measure is to permit a taxpayer who provides transient accommodations on real property leased from a related entity to claim a general excise tax deduction from the amount of gross proceeds or gross income received from its sublease of the real property.

Your Committee received testimony in support of this measure from the Hawaii Lodging & Tourism Association; Maui Hotel & Lodging Association; and Host Hotels & Resorts, L.P. Your Committee received testimony in opposition to this measure from the Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.


Your Committee finds that fairness in taxation is key to good tax policy. Your Committee further finds that the stakeholders involved with this measure are well-suited to work out potential issues with the language, thus your Committee is inclined to pass this measure to afford those stakeholders that opportunity.

As affirmed by the record of votes of the members of your Committee on Tourism and International Affairs that is attached to this report, your Committee is in accord with the intent and



purpose of H.B. No. 1327, H.D. 1, and recommends that it pass
Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Tourism and
International Affairs,




GILBERT KAHELE, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Tourism and International Affairs
TSI

Bill / Resolution No.:*	Committee Referral:	Date:
<i>HB 1327 HD1</i>	<i>TSI, WAM</i>	<i>03-18-15</i>
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
KAHELE, Gilbert (C)	✓	
ENGLISH, J. Kalani (VC)	✓	
TANIGUCHI, Brian T.	✓	
TOKUDA, Jill N.	✓	
SLOM, Sam		✓
TOTAL	<i>3</i>	<i>0</i>
<i>0</i>	<i>0</i>	<i>2</i>
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency
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*Only one measure per Record of Votes