

STAND. COM. REP. NO. **480**

Honolulu, Hawaii

**FEB 20 2015**

RE: S.B. No. 1306  
S.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 S.B. No. 1306 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 Host Hotels & Resorts, L.P. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that fairness in taxation is key to good tax policy. As raised in testimony, the parties involved in this measure are best suited to work out potential issues with this measure.

Accordingly, your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

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

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purpose of S.B. No. 1306, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1306, S.D. 1, 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,

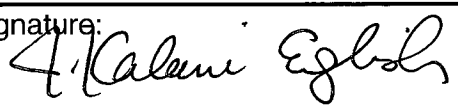


GILBERT KAHELE, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Tourism and International Affairs**  
**TSI**

Bill / Resolution No.:* <b>SB 1306</b>	Committee Referral: <b>TSI, WAM</b>	Date: <b>19 Feb 2015</b>		
<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"/> <sup>W</sup> Pass, unamended 2312 <input checked="" 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)	X			
ENGLISH, J. Kalani (VC)	X			
TANIGUCHI, Brian T.		X		
TOKUDA, Jill N.				X
SLOM, Sam				X
<b>TOTAL</b>	<b>2</b>	<b>1</b>		<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">  </div>				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes