

Honolulu, Hawaii

APR 04 2016

RE: S.R. No. 102

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.R. No. 102 entitled:

"SENATE RESOLUTION REQUESTING THE TAX REVIEW COMMISSION TO EVALUATE THE IMPACTS OF GENERAL EXCISE AND USE TAX INCREASES PROPOSED DURING THE REGULAR SESSION OF 2016,"

begs leave to report as follows:

The purpose and intent of this measure is to request the Tax Review Commission to conduct or commission a study that evaluates the impacts of general excise and use tax increases as proposed under Senate Bill No. 2599 and Senate Bill No. 2478, Regular Session of 2016.

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that Senate Bill No. 2599 and Senate Bill No. 2478, Regular Session of 2016, proposed increases to the general excise and use tax to finance education programs and long-term care benefits, respectively. However, certain impacts of each measure were not understood or fully discussed because of a lack of sufficient objective information. Each measure was deferred during the Regular Session of 2016.

Your Committee further finds that a Tax Review Commission is anticipated to be convened pursuant to Article VII, section 3, of the State Constitution. A duty of the Tax Review Commission is to recommend revenue and tax policy. Your Committee believes that a study conducted or commissioned by the Tax Review Commission that



evaluates the impacts of general excise and use tax increases as proposed under Senate Bill No. 2599 and Senate Bill No. 2478, Regular Session of 2016, may provide the Legislature with sufficient objective information to fully consider these measures.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 102 and recommends its adoption.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

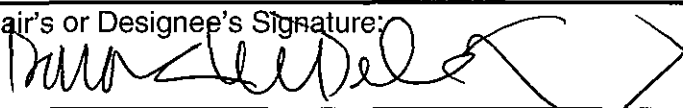


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SR 102	Committee Referral: WAM	Date: 3/23/16		
<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
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood				/
HARIMOTO, Breene	/			
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
SLOM, Sam				/
TOTAL	9			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes