
A BILL FOR AN ACT

RELATING TO GENERAL EXCISE TAX EXEMPTIONS.

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

1 SECTION 1. The purpose of this Act is to incentivize
2 affordable housing by providing a general excise tax exemption
3 for qualified landlords who provide residential rental units to
4 persons earning less than or equal to fifty per cent of the area
5 median income.

6 SECTION 2. Chapter 237, Hawaii Revised Statutes, is
7 amended by adding a new section to be appropriately designated
8 and to read as follows:

9 "§237- Exemption for rental income; affordable rental
10 units. (a) All gross income received by a qualified owner or
11 lessor of a residential dwelling unit that has been leased to an
12 eligible low-income household, with income at or below fifty per
13 cent of the area median income as determined by the United
14 States Department of Housing and Urban Development, and
15 certified or approved under section 356D- , Hawaii Revised
16 Statutes, shall be exempt from general excise taxes.



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1 (b) The director of taxation and the Hawaii public housing
 2 authority shall adopt rules pursuant to chapter 91 for the
 3 purpose of this section, including any time limitation for the
 4 exemptions."

5 SECTION 3. Chapter 356D, Hawaii Revised Statutes, is
 6 amended by adding a new section to be appropriately designated
 7 and to read as follows:

8 **"§356D- Exemption from general excise taxes.** (a) In
 9 accordance with section 237- , Hawaii Revised Statutes, the
 10 authority may approve and certify for exemption from general
 11 excise taxation any qualified owner or lessor who receives gross
 12 income from the leasing of a residential dwelling unit to an
 13 eligible low-income household.

14 (b) All claims for exemption under this section shall be
 15 filed with and certified by the authority and forwarded to the
 16 department of taxation.

17 (c) The authority may establish, revise, charge, and
 18 collect a reasonable service fee, as necessary, in connection
 19 with its approvals and certifications under this section."

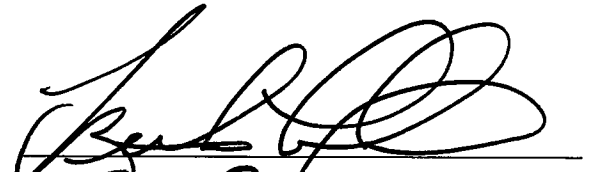
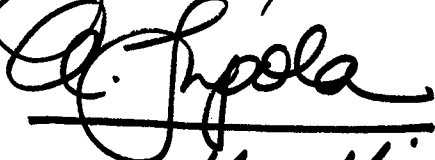

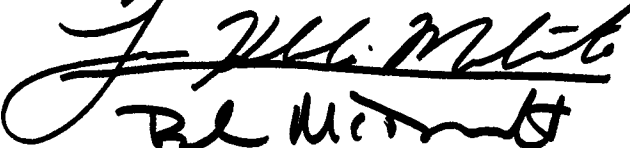
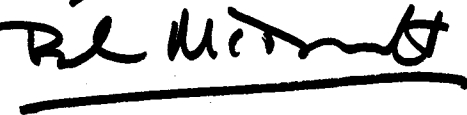
20 SECTION 4. New statutory material is underscored.



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1 SECTION 5. This Act shall take effect upon its approval
2 and shall apply to gross income or gross proceeds received after
3 June 30, 2017.
4

INTRODUCED BY:

JAN 20 2017



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Report Title:

Relating to General Excise Tax exemptions.

Description:

Provides for a general excise tax exemption on rental income for qualified landlords who provide residential rental units to persons earning less than or equal to fifty per cent of the area median income.

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

