

JAN 20 2017

A BILL FOR AN ACT

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

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

1 SECTION 1. Section 237D-2, Hawaii Revised Statutes, is
2 amended to read as follows:
3 "§237D-2 Imposition and rates. (a) There is levied and
4 shall be assessed and collected each month a tax of:
5 (1) Five per cent for the period beginning on January 1,
6 1987, to June 30, 1994;
7 (2) Six per cent for the period beginning on July 1, 1994,
8 to December 31, 1998;
9 (3) 7.25 per cent for the period beginning on January 1,
10 1999, to June 30, 2009;
11 (4) 8.25 per cent for the period beginning on July 1,
12 2009, to June 30, 2010; and
13 (5) 9.25 per cent for the period beginning on July 1,
14 2010, and thereafter;
15 on the gross rental or gross rental proceeds derived from
16 furnishing transient accommodations.



1 (b) Every operator shall pay to the State the tax imposed
2 by subsection (a), as provided in this chapter.

3 (c) There is levied and shall be assessed and collected
4 each month, on the occupant of a resort time share vacation
5 unit, a transient accommodations tax of:

6 (1) 7.25 per cent on the fair market rental value until
7 December 31, 2015;

8 (2) 8.25 per cent on the fair market rental value for the
9 period beginning on January 1, 2016, to December 31,
10 2016; and

11 (3) 9.25 per cent on the fair market rental value for the
12 period beginning on January 1, 2017, and thereafter.

13 (d) Every plan manager shall be liable for and pay to the
14 State the transient accommodations tax imposed by subsection (c)
15 as provided in this chapter. Every resort time share vacation
16 plan shall be represented by a plan manager who shall be subject
17 to this chapter.

18 (e) All mandatory fees charged by an operator or plan
19 manager to a guest or occupant, respectively, shall be included
20 in the gross rental or gross rental proceeds subject to the
21 imposition of tax under subsection (a). Any optional fees that



1 are not subject to the imposition of tax under subsection (a)
 2 shall be clearly identified as optional fees to guests or
 3 occupants whenever rates and services are disclosed or
 4 discussed."

5 SECTION 2. New statutory material is underscored.

6 SECTION 3. This Act shall take effect upon its approval.

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S.B. NO. 695

Report Title:

Hotels; Time Shares; Transient Accommodations; Transient Accommodations Tax; Mandatory Fees; Disclosure

Description:

Requires that all mandatory fees charged by a transient accommodation operator to a guest or resort time share vacation plan manager to an occupant be included in the gross rental or gross rental proceeds for purposes of the transient accommodations tax. Requires operators and plan managers to identify optional fees that are not subject to the transient accommodations tax to guests and occupants when rental rates and services are disclosed or discussed.

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