
A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. Section 201H-36, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) In accordance with section 237-29, the corporation
4 may approve and certify for exemption from general excise taxes
5 any qualified person or firm involved with a newly constructed,
6 or moderately or substantially rehabilitated project:

7 (1) Developed under this part;

8 (2) Developed under a government assistance program
9 approved by the corporation, including but not limited
10 to the United States Department of ~~[Agriculture]~~
11 Agriculture's section 502 direct loan program and
12 Federal Housing ~~[Administration]~~ Administration's
13 section 235 program;

14 (3) Developed under the sponsorship of a private nonprofit
15 organization providing home rehabilitation or new
16 homes for qualified families in need of decent, low-
17 cost housing;



(4) Developed by a qualified person or firm to provide affordable rental housing where at least fifty per cent of the available units are for households with incomes at or below eighty per cent of the area median family income as determined by the United States Department of Housing and Urban Development, of which at least twenty per cent of the available units are for households with incomes at or below sixty per cent of the area median family income as determined by the United States Department of Housing and Urban Development; or

(5) Effective for projects approved or certified from July 1, 2018, to June 30, ~~[2022,]~~ 2026, developed under a contract described in section 104-2(i)(2) by a qualified person or firm to provide affordable rental housing~~[+]~~ through new construction or substantial rehabilitation; provided that~~[-~~

~~(A) The allowable general excise tax and use tax costs shall apply to contracting only and shall not exceed \$7,000,000 per year in the aggregate~~



1 ~~for all projects approved and certified by the~~
2 ~~corporation; and~~

3 ~~(B)~~ All] all available units are for households with
4 incomes at or below one hundred forty per cent of the
5 area median family income as determined by the United
6 States Department of Housing and Urban Development, of
7 which at least twenty per cent of the available units
8 are for households with incomes at or below eighty per
9 cent of the area median family income as determined by
10 the United States Department of Housing and Urban
11 Development[-]; provided further that the total
12 weighted average of all units provided in an approved
13 and certified project shall be no more than one
14 hundred per cent of the area median family income;
15 provided further that an owner shall not refuse to
16 lease a unit solely because the applicant holds a
17 voucher or certificate of eligibility under section 8
18 of the United States Housing Act of 1937."

19 SECTION 2. Act 54, Session Laws of Hawaii 2017, is amended
20 by amending section 5 to read as follows:



1 "SECTION 5. This Act shall take effect on July 1, 2017,
2 and shall ~~[be repealed on June 30, 2022; provided that:~~

3 ~~(1) Section]~~ not apply to projects certified or approved
4 after June 30, 2026; provided that section 3 of this
5 Act shall apply to taxable years beginning after
6 December 31, 2017~~[- and~~

7 ~~(2) Section 104-2, Hawaii Revised Statutes, and section~~
8 ~~201H-36, Hawaii Revised Statutes, shall be reenacted~~
9 ~~in the form in which they read on the day before the~~
10 ~~effective date of this Act]."~~

11 SECTION 3. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

Rental Housing Projects; General Excise Tax Exemption; Section 8
Housing Choice Vouchers

Description:

Extends exemption from general excise tax for development costs of affordable rental housing certified by HHFDC. Removes limits on costs eligible for exemption and authorizes exemption for substantially renovated projects. Prohibits discrimination against tenants based solely on receipt of Section 8 housing assistance. Takes effect on 07/01/2050. (SD1)

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