

Honolulu, Hawaii

February 15, 2018

RE: H.B. No. 2432

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Tourism, to which was referred H.B. No. 2432 entitled:

"A BILL FOR AN ACT RELATING TO THE TRANSIENT ACCOMMODATIONS TAX,"

begs leave to report as follows:

The purpose of this measure is to specify that resort fees, which are any mandatory charges or surcharges imposed for the use of a transient accommodation's property, services, or amenities, are included in the gross rental proceeds amount upon which transient accommodations tax is calculated.

The Department of Taxation supported the intent of this measure. The Kohala Coast Resort Association, Maui Hotel & Lodging Association, and Hawai'i Lodging & Tourism Association opposed this measure. The Tax Foundation of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2432 and recommends that it pass Second Reading and be referred to your Committee on Finance.



Respectfully submitted on
behalf of the members of the
Committee on Tourism,



RICHARD H.K. ONISHI, Chair



