

STAND. COM. REP. NO. 1944-18

Honolulu, Hawaii
, 2018

APR 06

RE: S.B. No. 2514
S.D. 1
H.D. 1

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 2514, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to provide that a person is engaging in business in the State, whether or not the person has a physical presence in the State, for purposes of the general excise tax law if in the current or immediately preceding calendar year the person has \$100,000 or more in gross income or two hundred or more separate transactions from the sale of tangible personal property delivered in the State, services used or consumed in the State, or intangible property used in the State.

The Department of Taxation and Retail Merchants of Hawaii supported this measure. The Department of the Attorney General and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to encourage further discussion.

SB2514 HD1 HSCR FIN HMS 2018-3584



As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2514, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2514, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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



SYLVIA LUKE, Chair



