

Honolulu, Hawaii
, 2018

APR 06

RE: S.B. No. 508
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. 508, 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 increase the amount of taxes that must be deducted and withheld from the disposition of Hawaii real property by nonresidents from five percent of the amount realized to nine percent of the amount realized.

IMUAlliance supported this measure. The Coalition for Equal Taxation opposed this measure. The Department of Taxation, Tax Foundation of Hawaii, and Rental By Owner Awareness Association provided comments.


Your Committee has amended this measure by:

- (1) Changing the taxes withheld on the amount realized by nonresidents from the disposition of Hawaii real property to an unspecified percent; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.



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. 508, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 508, 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



