

STAND. COM. REP. NO.

1109

Honolulu, Hawaii

MAR 01 , 2019

RE: H.B. No. 887

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 887, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR,"

begs leave to report as follows:

The purpose of this measure is to simplify certain statutes relating to the taxation of intoxicating liquor and align them to current industry practices by:

- (1) Amending the definition of "cooler beverage" to include spirits-based beverages so that they are taxed at the same rate as wine- or beer-based cooler beverages; and
- (2) Applying the tax rate currently applied to draft beer to all beer regardless of how the beer is dispensed.

Waikiki Brewing Company, Maui Brewing Co., Kona Brewing Co., Kauai Beer Company, Hawaiian Craft Brewers Guild, REAL a gastropub/Bent Tail Brewing Company, and Beer Lab HI supported this measure. The Department of Taxation and Tax Foundation of Hawaii submitted comments.

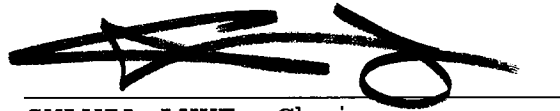
As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your

HB887 HD1 HSCR FIN HMS 2019-2778



Committee is in accord with the intent and purpose of H.B. No. 887, H.D. 1, and recommends that it pass Third Reading.

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



SYLVIA LUKE, Chair



