

Honolulu, Hawaii

, 2019

MAR 18

RE: S.B. No. 396  
S.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 S.B. No. 396, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MARKETPLACE FACILITATORS,"

begs leave to report as follows:

The purpose of this measure is to facilitate the collection of general excise and use taxes by:

- (1) Establishing that marketplace facilitators, that provide a physical or electronic forum for the sale of tangible or intangible property or services by another and collect payments from purchasers, are retail sellers subject to general excise and use tax requirements; and
- (2) Establishing that other market actors that provide a physical or electronic forum for the sale of property or services by others may elect:
  - (A) To comply with notice and reporting requirements to enforce direct remittance of general excise and use taxes to the Department of Taxation by purchasers; or
  - (B) To be classified as a retailer subject to general excise and use tax requirements.



1792

Amazon supported this measure. The Department of Taxation, Tax Foundation of Hawaii, and Retail Merchants of Hawaii provided comments.

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. 396, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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



---

SYLVIA LUKE, Chair



Record of Votes of the Committee on Finance

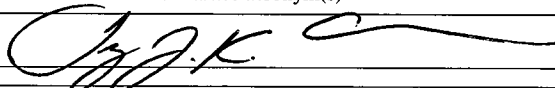
Bill/Resolution No.: SB390, SDI	Committee Referral: FIN	Date: 3/15/19
---------------------------------	-------------------------	---------------

The committee is reconsidering its previous decision on the measure.

The recommendation is to:  Pass, unamended (as is)     Pass, with amendments (HD)     Hold  
 Pass short form bill with HD to recommit for future public hearing (recommit)

FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	✓			
2. CULLEN, Ty J.K. (VC)	✓			
3. ELI, Stacelynn K.M.	✓			
4. GATES, Cedric Asuega	✓			
5. HASHIMOTO, Troy N.	✓			
6. HOLT, Daniel	✓			
7. KITAGAWA, Lisa	✓			
8. KOBAYASHI, Bertrand	✓			
9. MATAYOSHI, Scot Z.	✓			
10. NAKAMURA, Nadine K.				✓
11. NISHIMOTO, Scott Y.	✓			
12. TODD, Chris	✓			
13. WILDBERGER, Tina	✓			
14. YAMASHITA, Kyle T.	✓			
15. McDERMOTT, Bob	✓			
<b>TOTAL (15)</b>	14	Ø	Ø	1

The recommendation is:  Adopted     Not Adopted  
 If joint referral, \_\_\_\_\_ did not support recommendation.  
committee acronym(s)

Vice Chair's or designee's signature: 

Distribution: Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO