

JAN 17 2020

A BILL FOR AN ACT

RELATING TO TAXATION OF SUGAR PRODUCTION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that for many years the
2 state tax code has included preferential treatment for
3 manufacturers and producers of sugar. In 2017, the last sugar
4 mill in Hawai'i closed down and the State's sugar industry ended.
5 Accordingly, the purpose of this bill is to repeal tax
6 provisions that are no longer relevant.

7 SECTION 2. Section 237-13, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "§237-13 **Imposition of tax.** There is hereby levied and
10 shall be assessed and collected annually privilege taxes against
11 persons on account of their business and other activities in the
12 State measured by the application of rates against values of
13 products, gross proceeds of sales, or gross income, whichever is
14 specified, as follows:

15 (1) Tax on manufacturers.

16 (A) Upon every person engaging or continuing within
17 the State in the business of manufacturing,



1 including compounding, canning, preserving,
2 packing, printing, publishing, milling,
3 processing, refining, or preparing for sale,
4 profit, or commercial use, either directly or
5 through the activity of others, in whole or in
6 part, any article or articles, substance or
7 substances, commodity or commodities, the amount
8 of the tax to be equal to the value of the
9 articles, substances, or commodities,
10 manufactured, compounded, canned, preserved,
11 packed, printed, milled, processed, refined, or
12 prepared for sale, as shown by the gross proceeds
13 derived from the sale thereof by the manufacturer
14 or person compounding, preparing, or printing
15 them, multiplied by one-half of one per cent.

16 (B) The measure of the tax on manufacturers is the
17 value of the entire product for sale.

18 (2) Tax on business of selling tangible personal property;
19 producing.

20 (A) Upon every person engaging or continuing in the
21 business of selling any tangible personal



1 property whatsoever, there is likewise hereby
2 levied, and shall be assessed and collected, a
3 tax equivalent to four per cent of the gross
4 proceeds of sales of the business; provided that,
5 in the case of a wholesaler, the tax shall be
6 equal to one-half of one per cent of the gross
7 proceeds of sales of the business; and provided
8 further that insofar as the sale of tangible
9 personal property is a wholesale sale under
10 section 237-4(a)(8), the tax shall be one-half of
11 one per cent of the gross proceeds. Upon every
12 person engaging or continuing within this State
13 in the business of a producer, the tax shall be
14 equal to one-half of one per cent of the gross
15 proceeds of sales of the business, or the value
16 of the products, for sale.

17 (B) Gross proceeds of sales of tangible property in
18 interstate and foreign commerce shall constitute
19 a part of the measure of the tax imposed on
20 persons in the business of selling tangible
21 personal property, to the extent, under the



1 conditions, and in accordance with the provisions
2 of the Constitution of the United States and the
3 Acts of the Congress of the United States which
4 may be now in force or may be hereafter adopted,
5 and whenever there occurs in the State an
6 activity to which, under the Constitution and
7 Acts of Congress, there may be attributed gross
8 proceeds of sales, the gross proceeds shall be so
9 attributed.

10 (C) No manufacturer or producer, engaged in such
11 business in the State and selling the
12 manufacturer's or producer's products for
13 delivery outside of the State (for example,
14 consigned to a mainland purchaser via common
15 carrier f.o.b. Honolulu), shall be required to
16 pay the tax imposed in this chapter for the
17 privilege of so selling the products, and the
18 value or gross proceeds of sales of the products
19 shall be included only in determining the measure
20 of the tax imposed upon the manufacturer or
21 producer.



1 (D) A manufacturer or producer, engaged in such
2 business in the State, shall pay the tax imposed
3 in this chapter for the privilege of selling its
4 products in the State, and the value or gross
5 proceeds of sales of the products, thus subjected
6 to tax, may be deducted insofar as duplicated as
7 to the same products by the measure of the tax
8 upon the manufacturer or producer for the
9 privilege of manufacturing or producing in the
10 State; provided that no producer of agricultural
11 products who sells the products to a purchaser
12 who will process the products outside the State
13 shall be required to pay the tax imposed in this
14 chapter for the privilege of producing or selling
15 those products.

16 (E) A taxpayer selling to a federal cost-plus
17 contractor may make the election provided for by
18 paragraph (3) (C), and in that case the tax shall
19 be computed pursuant to the election,
20 notwithstanding this paragraph or paragraph (1)
21 to the contrary.



- 1 (F) The department, by rule, may require that a
- 2 seller take from the purchaser of tangible
- 3 personal property a certificate, in a form
- 4 prescribed by the department, certifying that the
- 5 sale is a sale at wholesale; provided that:
- 6 (i) Any purchaser who furnishes a certificate
- 7 shall be obligated to pay to the seller,
- 8 upon demand, the amount of the additional
- 9 tax that is imposed upon the seller whenever
- 10 the sale in fact is not at wholesale; and
- 11 (ii) The absence of a certificate in itself shall
- 12 give rise to the presumption that the sale
- 13 is not at wholesale unless the sales of the
- 14 business are exclusively at wholesale.
- 15 (3) Tax upon contractors.
- 16 (A) Upon every person engaging or continuing within
- 17 the State in the business of contracting, the tax
- 18 shall be equal to four per cent of the gross
- 19 income of the business.
- 20 (B) In computing the tax levied under this paragraph,
- 21 there shall be deducted from the gross income of



1 the taxpayer so much thereof as has been included
2 in the measure of the tax levied under
3 subparagraph (A), on another taxpayer who is a
4 contractor, as defined in section 237-6; provided
5 that any person claiming a deduction under this
6 paragraph shall be required to show in the
7 person's return the name and general excise
8 number of the person paying the tax on the amount
9 deducted by the person.

10 (C) In computing the tax levied under this paragraph
11 against any federal cost-plus contractor, there
12 shall be excluded from the gross income of the
13 contractor so much thereof as fulfills the
14 following requirements:

15 (i) The gross income exempted shall constitute
16 reimbursement of costs incurred for
17 materials, plant, or equipment purchased
18 from a taxpayer licensed under this chapter,
19 not exceeding the gross proceeds of sale of
20 the taxpayer on account of the transaction;
21 and



1 (ii) The taxpayer making the sale shall have
2 certified to the department that the
3 taxpayer is taxable with respect to the
4 gross proceeds of the sale, and that the
5 taxpayer elects to have the tax on gross
6 income computed the same as upon a sale to
7 the state government.

8 (D) A person who, as a business or as a part of a
9 business in which the person is engaged, erects,
10 constructs, or improves any building or
11 structure, of any kind or description, or makes,
12 constructs, or improves any road, street,
13 sidewalk, sewer, or water system, or other
14 improvements on land held by the person (whether
15 held as a leasehold, fee simple, or otherwise),
16 upon the sale or other disposition of the land or
17 improvements, even if the work was not done
18 pursuant to a contract, shall be liable to the
19 same tax as if engaged in the business of
20 contracting, unless the person shows that at the
21 time the person was engaged in making the



1 improvements the person intended, and for the
2 period of at least one year after completion of
3 the building, structure, or other improvements
4 the person continued to intend to hold and not
5 sell or otherwise dispose of the land or
6 improvements. The tax in respect of the
7 improvements shall be measured by the amount of
8 the proceeds of the sale or other disposition
9 that is attributable to the erection,
10 construction, or improvement of such building or
11 structure, or the making, constructing, or
12 improving of the road, street, sidewalk, sewer,
13 or water system, or other improvements. The
14 measure of tax in respect of the improvements
15 shall not exceed the amount which would have been
16 taxable had the work been performed by another,
17 subject as in other cases to the deductions
18 allowed by subparagraph (B). Upon the election
19 of the taxpayer, this paragraph may be applied
20 notwithstanding that the improvements were not
21 made by the taxpayer, or were not made as a



1 business or as a part of a business, or were made
2 with the intention of holding the same. However,
3 this paragraph shall not apply in respect of any
4 proceeds that constitute or are in the nature of
5 rent, which shall be taxable under paragraph (9);
6 provided that insofar as the business of renting
7 or leasing real property under a lease is taxed
8 under section 237-16.5, the tax shall be levied
9 by section 237-16.5.

10 (4) Tax upon theaters, amusements, radio broadcasting
11 stations, etc.

12 (A) Upon every person engaging or continuing within
13 the State in the business of operating a theater,
14 opera house, moving picture show, vaudeville,
15 amusement park, dance hall, skating rink, radio
16 broadcasting station, or any other place at which
17 amusements are offered to the public, the tax
18 shall be equal to four per cent of the gross
19 income of the business, and in the case of a sale
20 of an amusement at wholesale under section



1 237-4(a)(13), the tax shall be one-half of one
2 per cent of the gross income.

3 (B) The department may require that the person
4 rendering an amusement at wholesale take from the
5 licensed seller a certificate, in a form
6 prescribed by the department, certifying that the
7 sale is a sale at wholesale; provided that:

8 (i) Any licensed seller who furnishes a
9 certificate shall be obligated to pay to the
10 person rendering the amusement, upon demand,
11 the amount of additional tax that is imposed
12 upon the seller whenever the sale is not at
13 wholesale; and

14 (ii) The absence of a certificate in itself shall
15 give rise to the presumption that the sale
16 is not at wholesale unless the person
17 rendering the sale is exclusively rendering
18 the amusement at wholesale.

19 (5) Tax upon sales representatives, etc. Upon every
20 person classified as a representative or purchasing
21 agent under section 237-1, engaging or continuing



1 within the State in the business of performing
2 services for another, other than as an employee, there
3 is likewise hereby levied and shall be assessed and
4 collected a tax equal to four per cent of the
5 commissions and other compensation attributable to the
6 services so rendered by the person.

7 (6) Tax on service business.

8 (A) Upon every person engaging or continuing within
9 the State in any service business or calling
10 including professional services not otherwise
11 specifically taxed under this chapter, there is
12 likewise hereby levied and shall be assessed and
13 collected a tax equal to four per cent of the
14 gross income of the business, and in the case of
15 a wholesaler under section 237-4(a)(10), the tax
16 shall be equal to one-half of one per cent of the
17 gross income of the business.

18 (B) The department may require that the person
19 rendering a service at wholesale take from the
20 licensed seller a certificate, in a form



1 prescribed by the department, certifying that the
2 sale is a sale at wholesale; provided that:

3 (i) Any licensed seller who furnishes a
4 certificate shall be obligated to pay to the
5 person rendering the service, upon demand,
6 the amount of additional tax that is imposed
7 upon the seller whenever the sale is not at
8 wholesale; and

9 (ii) The absence of a certificate in itself shall
10 give rise to the presumption that the sale
11 is not at wholesale unless the person
12 rendering the sale is exclusively rendering
13 services at wholesale.

14 (C) Where any person is engaged in the business of
15 selling interstate or foreign common carrier
16 telecommunication services within and without the
17 State, other than as a home service provider, the
18 tax shall be imposed on that portion of gross
19 income received by a person from service which is
20 originated or terminated in this State and is
21 charged to a telephone number, customer, or



1 account in this State notwithstanding any other
2 state law (except for the exemption under section
3 237-23(a)(1)) to the contrary. If, under the
4 Constitution and laws of the United States, the
5 entire gross income as determined under this
6 paragraph of a business selling interstate or
7 foreign common carrier telecommunication services
8 cannot be included in the measure of the tax, the
9 gross income shall be apportioned as provided in
10 section 237-21; provided that the apportionment
11 factor and formula shall be the same for all
12 persons providing those services in the State.

13 (D) Where any person is engaged in the business of a
14 home service provider, the tax shall be imposed
15 on the gross income received or derived from
16 providing interstate or foreign mobile
17 telecommunications services to a customer with a
18 place of primary use in this State when the
19 services originate in one state and terminate in
20 another state, territory, or foreign country;
21 provided that all charges for mobile



1 telecommunications services which are billed by
2 or for the home service provider are deemed to be
3 provided by the home service provider at the
4 customer's place of primary use, regardless of
5 where the mobile telecommunications originate,
6 terminate, or pass through; provided further that
7 the income from charges specifically derived from
8 interstate or foreign mobile telecommunications
9 services, as determined by books and records that
10 are kept in the regular course of business by the
11 home service provider in accordance with section
12 239-24, shall be apportioned under any
13 apportionment factor or formula adopted under
14 subparagraph (C). Gross income shall not
15 include:

16 (i) Gross receipts from mobile
17 telecommunications services provided to a
18 customer with a place of primary use outside
19 this State;



- 1 (ii) Gross receipts from mobile
- 2 telecommunications services that are subject
- 3 to the tax imposed by chapter 239;
- 4 (iii) Gross receipts from mobile
- 5 telecommunications services taxed under
- 6 section 237-13.8; and
- 7 (iv) Gross receipts of a home service provider
- 8 acting as a serving carrier providing mobile
- 9 telecommunications services to another home
- 10 service provider's customer.

11 For the purposes of this paragraph, "charges for
12 mobile telecommunications services", "customer",
13 "home service provider", "mobile
14 telecommunications services", "place of primary
15 use", and "serving carrier" have the same meaning
16 as in section 239-22.

17 (7) Tax on insurance producers. Upon every person engaged
18 as a licensed producer pursuant to chapter 431, there
19 is hereby levied and shall be assessed and collected a
20 tax equal to 0.15 per cent of the commissions due to
21 that activity.



1 ~~[(8) Tax on receipts of sugar benefit payments. Upon the~~
2 ~~amounts received from the United States government by~~
3 ~~any producer of sugar (or the producer's legal~~
4 ~~representative or heirs), as defined under and by~~
5 ~~virtue of the Sugar Act of 1948, as amended, or other~~
6 ~~Acts of the Congress of the United States relating~~
7 ~~thereto, there is hereby levied a tax of one half of~~
8 ~~one per cent of the gross amount received; provided~~
9 ~~that the tax levied hereunder on any amount so~~
10 ~~received and actually disbursed to another by a~~
11 ~~producer in the form of a benefit payment shall be~~
12 ~~paid by the person or persons to whom the amount is~~
13 ~~actually disbursed, and the producer actually making a~~
14 ~~benefit payment to another shall be entitled to claim~~
15 ~~on the producer's return a deduction from the gross~~
16 ~~amount taxable hereunder in the sum of the amount so~~
17 ~~disbursed. The amounts taxed under this paragraph~~
18 ~~shall not be taxable under any other paragraph,~~
19 ~~subsection, or section of this chapter.~~

20 ~~(9)]~~ (8) Tax on other business. Upon every person
21 engaging or continuing within the State in any



1 business, trade, activity, occupation, or calling not
2 included in the preceding paragraphs or any other
3 provisions of this chapter, there is likewise hereby
4 levied and shall be assessed and collected, a tax
5 equal to four per cent of the gross income thereof.
6 In addition, the rate prescribed by this paragraph
7 shall apply to a business taxable under one or more of
8 the preceding paragraphs or other provisions of this
9 chapter, as to any gross income thereof not taxed
10 thereunder as gross income or gross proceeds of sales
11 or by taxing an equivalent value of products, unless
12 specifically exempted."

13 SECTION 3. Section 237-18, Hawaii Revised Statutes, is
14 amended to read as follows:

15 **"§237-18 Further provisions as to application of tax. (a)**
16 Where a coin operated device produces gross income which is
17 divided between the owner or operator of the device, on the one
18 hand, and the owner or operator of the premises where the device
19 is located, on the other hand, the tax imposed by this chapter
20 shall apply to each such person with respect to the person's
21 portion of the proceeds, and no more.



1 (b) Where gate receipts or other admissions are divided
2 between the person furnishing or producing a play, concert,
3 lecture, athletic event, or similar spectacle (including any
4 motion picture showing) on the one hand, and a promoter
5 (including any proprietor or other operator of a motion picture
6 house) offering the spectacle to the public, on the other hand,
7 the tax imposed by this chapter, if the promoter is subject to
8 the tax imposed by this chapter, shall apply only to the
9 promoter measured by the whole of the proceeds, and the promoter
10 shall be authorized to deduct and withhold from the portion of
11 the proceeds payable to the person furnishing or producing the
12 spectacle the amount of the tax payable by the person upon such
13 portion. No tax shall apply to a promoter with respect to such
14 portion of the proceeds as is payable to a person furnishing or
15 producing the spectacle, who is exempted by section 237-23 from
16 taxation upon such activity.

17 (c) Where, through the activity of a person taxable under
18 section 237-13(6), a product has been milled, processed, or
19 otherwise manufactured upon the order of another taxpayer who is
20 a manufacturer taxable upon the value of the entire manufactured
21 products, which consists in part of the value of the services



1 taxable under section 237-13(6), so much gross income as is
2 derived from the rendering of the services shall be subjected to
3 tax on the person rendering the services at the rate of one-half
4 of one per cent, and the value of the entire product shall be
5 included in the measure of the tax imposed on the other taxpayer
6 as elsewhere provided.

7 ~~[(d) Where, through the activity of a person taxable under~~
8 ~~section 237-13(6), there have been rendered to a cane planter~~
9 ~~services consisting in the harvesting or hauling of the cane, or~~
10 ~~consisting in road maintenance, under a contract between the~~
11 ~~person rendering the services and the cane planter, covering the~~
12 ~~services and also the milling of the sugar, the services of~~
13 ~~harvesting and hauling the cane and road maintenance shall be~~
14 ~~treated the same as the service of milling the cane, as provided~~
15 ~~by subsection (c), and the value of the entire product,~~
16 ~~manufactured or sold for the cane planter under the contract,~~
17 ~~shall be included in the measure of the tax imposed on the~~
18 ~~person as elsewhere provided.~~

19 ~~(e)]~~ (d) Where insurance agents, including general agents,
20 subagents, or solicitors, who are not employees and are licensed
21 pursuant to chapter 431, or real estate brokers or salespersons,



1 who are not employees and are licensed pursuant to chapter 467,
2 produce commissions which are divided between such general
3 agents, subagents, or solicitors, or between such real estate
4 brokers or salespersons, as the case may be, the tax levied
5 under section 237-13(6) as to real estate brokers or
6 salespersons, or under section 237-13(7) as to insurance general
7 agents, subagents, or solicitors shall apply to each such person
8 with respect to the person's portion of the commissions, and no
9 more.

10 [~~f~~] (e) Where tourism related services are furnished
11 through arrangements made by a travel agency or tour packager
12 and the gross income is divided between the provider of the
13 services and the travel agency or tour packager, the tax imposed
14 by this chapter shall apply to each such person with respect to
15 such person's respective portion of the proceeds, and no more.

16 As used in this subsection "tourism related services" means
17 catamaran cruises, canoe rides, dinner cruises, lei greetings,
18 transportation included in a tour package, sightseeing tours not
19 subject to chapter 239, admissions to luaus, dinner shows,
20 extravaganzas, cultural and educational facilities, and other
21 services rendered directly to the customer or tourist, but only



1 if the providers of the services other than air transportation
2 are subject to a four per cent tax under this chapter or chapter
3 239.

4 [~~(g)~~] (f) Where transient accommodations are furnished
5 through arrangements made by a travel agency or tour packager at
6 noncommissioned negotiated contract rates and the gross income
7 is divided between the operator of transient accommodations on
8 the one hand and the travel agency or tour packager on the other
9 hand, the tax imposed by this chapter shall apply to each such
10 person with respect to such person's respective portion of the
11 proceeds, and no more.

12 As used in this subsection, the words "transient
13 accommodations" and "operator" shall be defined in the same
14 manner as they are defined in section 237D-1.

15 [~~(h)~~] (g) Where the transportation of passengers or
16 property is furnished through arrangements between motor
17 carriers, and the gross income is divided between the motor
18 carriers, any tax imposed by this chapter shall apply to each
19 motor carrier with respect to each motor carrier's respective
20 portion of the proceeds.

21 As used in this subsection:



1 "Carrier" means a person who engages in transportation, and
2 does not include a person such as a freight forwarder or tour
3 packager who provides transportation by contracting with others,
4 except to the extent that such person oneself engages in
5 transportation.

6 "Contract carrier" means a person other than a public
7 utility as defined under section 239-2 or taxicab, which under
8 contracts or agreements, engages in the transportation of
9 persons or property for compensation, by land, water, or air.

10 "Motor carrier" means a common carrier or contract carrier
11 transporting persons or property for compensation on the public
12 highways, other than a public utility as defined under section
13 239-2 or taxicab.

14 "Public highways" has the meaning defined by section 264-1
15 including both state and county highways, but operation upon
16 rails shall not be deemed transportation on the public
17 highways."

18 SECTION 4. Section 237-24, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "**§237-24 Amounts not taxable.** This chapter shall not
21 apply to the following amounts:



- 1 (1) Amounts received under life insurance policies and
2 contracts paid by reason of the death of the insured;
- 3 (2) Amounts received (other than amounts paid by reason of
4 death of the insured) under life insurance, endowment,
5 or annuity contracts, either during the term or at
6 maturity or upon surrender of the contract;
- 7 (3) Amounts received under any accident insurance or
8 health insurance policy or contract or under workers'
9 compensation acts or employers' liability acts, as
10 compensation for personal injuries, death, or
11 sickness, including also the amount of any damages or
12 other compensation received, whether as a result of
13 action or by private agreement between the parties on
14 account of the personal injuries, death, or sickness;
- 15 (4) The value of all property of every kind and sort
16 acquired by gift, bequest, or devise, and the value of
17 all property acquired by descent or inheritance;
- 18 (5) Amounts received by any person as compensatory damages
19 for any tort injury to the person, or to the person's
20 character reputation, or received as compensatory
21 damages for any tort injury to or destruction of



- 1 property, whether as the result of action or by
2 private agreement between the parties (provided that
3 amounts received as punitive damages for tort injury
4 or breach of contract injury shall be included in
5 gross income);
- 6 (6) Amounts received as salaries or wages for services
7 rendered by an employee to an employer;
- 8 (7) Amounts received as alimony and other similar payments
9 and settlements;
- 10 (8) Amounts collected by distributors as fuel taxes on
11 "liquid fuel" imposed by chapter 243, and the amounts
12 collected by such distributors as a fuel tax imposed
13 by any Act of the Congress of the United States;
- 14 (9) Taxes on liquor imposed by chapter 244D on dealers
15 holding permits under that chapter;
- 16 (10) The amounts of taxes on cigarettes and tobacco
17 products imposed by chapter 245 on wholesalers or
18 dealers holding licenses under that chapter and
19 selling the products at wholesale;



- 1 (11) Federal excise taxes imposed on articles sold at
2 retail and collected from the purchasers thereof and
3 paid to the federal government by the retailer;
- 4 (12) The amounts of federal taxes under chapter 37 of the
5 Internal Revenue Code, or similar federal taxes,
6 imposed on sugar manufactured in the State, paid by
7 the manufacturer to the federal government;
- 8 (13) An amount up to, but not in excess of, \$2,000 a year
9 of gross income received by any blind, deaf, or
10 totally disabled person engaging, or continuing, in
11 any business, trade, activity, occupation, or calling
12 within the State; a corporation all of whose
13 outstanding shares are owned by an individual or
14 individuals who are blind, deaf, or totally disabled;
15 a general, limited, or limited liability partnership,
16 all of whose partners are blind, deaf, or totally
17 disabled; or a limited liability company, all of whose
18 members are blind, deaf, or totally disabled;
- 19 ~~[(14) Amounts received by a producer of sugarcane from the~~
20 ~~manufacturer to whom the producer sells the sugarcane,~~
21 ~~where:~~



S.B. NO. 2481

- 1 ~~(A) The producer is an independent cane farmer, so~~
2 ~~elassed by the Secretary of Agriculture under the~~
3 ~~Sugar Act of 1948 (61 Stat. 922, chapter 519) as~~
4 ~~the Act may be amended or supplemented;~~
- 5 ~~(B) The value or gross proceeds of sale of the sugar,~~
6 ~~and other products manufactured from the~~
7 ~~sugarcane, is included in the measure of the tax~~
8 ~~levied on the manufacturer under section 237-~~
9 ~~13(1) or (2);~~
- 10 ~~(C) The producer's gross proceeds of sales are~~
11 ~~dependent upon the actual value of the products~~
12 ~~manufactured therefrom or the average value of~~
13 ~~all similar products manufactured by the~~
14 ~~manufacturer; and~~
- 15 ~~(D) The producer's gross proceeds of sales are~~
16 ~~reduced by reason of the tax on the value or sale~~
17 ~~of the manufactured products;~~
- 18 ~~(15)]~~ (14) Money paid by the State or eleemosynary child-
19 placing organizations to foster parents for their care
20 of children in foster homes;



1 [~~(16)~~] (15) Amounts received by a cooperative housing
2 corporation from its shareholders in reimbursement of
3 funds paid by such corporation for lease rental, real
4 property taxes, and other expenses of operating and
5 maintaining the cooperative land and improvements;
6 provided that such a cooperative corporation is a
7 corporation:
8 (A) Having one and only one class of stock
9 outstanding;
10 (B) Each of the stockholders of which is entitled
11 solely by reason of the stockholder's ownership
12 of stock in the corporation, to occupy for
13 dwelling purposes a house, or an apartment in a
14 building owned or leased by the corporation; and
15 (C) No stockholder of which is entitled (either
16 conditionally or unconditionally) to receive any
17 distribution not out of earnings and profits of
18 the corporation except in a complete or partial
19 liquidation of the corporation; and
20 [~~(17)~~] (16) Amounts received by a contractor of the Patient-
21 Centered Community Care program that is established by



1 the United States Department of Veterans Affairs
2 pursuant to title 38 United States Code section 8153,
3 as amended, for the actual costs or advancements to
4 third party health care providers pursuant to a
5 contract with the United States."

6 SECTION 5. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 6. This Act, upon its approval, shall apply to
9 taxable years beginning after December 31, 2019.

10

INTRODUCED BY: *Kal Raab*



S.B. NO. 2481

Report Title:

Sugar Processing; General Excise Tax

Description:

Repeals provisions that grant special general excise tax benefits to sugar producers.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

