

STAND. COM. REP. NO.

1892

Honolulu, Hawaii

APR - 5 2019

RE: H.B. No. 1042
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1042 entitled:

"A BILL FOR AN ACT RELATING TO TAX REPORTING,"

begs leave to report as follows:

The purpose and intent of this measure is to improve compliance in the reporting of rents and gross rental proceeds.

More specifically, this measure revises the way persons who collect rents or gross rental proceeds on behalf of owners of real property or operators of transient accommodations report that collection to the Department of Taxation.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee received testimony in opposition to this measure from Expedia.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that, under current law, although persons who collect rent or gross rental proceeds on behalf of others must report information identifying each owner or operator on whose behalf they collect, they are not required to report the



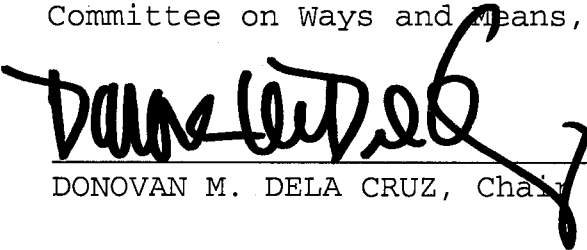
total amount of money collected on behalf of each owner or operator. Current law also requires the person to provide the owner or operator a copy of a tax liability notice. However, there is no penalty for noncompliance with these requirements. Your Committee further finds that this measure is intended to address these issues.

Your Committee has amended this measure by:

- (1) Adding a savings clause; and
- (2) Making technical nonsubstantive amendments for purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1042, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1042, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

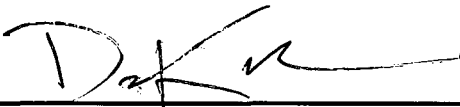


DONOVAN M. DELA CRUZ, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1042	WAM	4/4/2019		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312				
<input checked="" type="checkbox"/> Pass, with amendments 2311				
<input type="checkbox"/> Hold 2310				
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	✓			✓
KEITH-AGARAN, Gilbert S.C. (VC)				✓
ENGLISH, J. Kalani	✓			
HARIMOTO, Breene	✓			
INOUYE, Lorraine R.	✓			
KAHELE, Kaiali'i	✓			
KANUHA, Dru Mamo	✓			
KIDANI, Michelle N.				✓
MORIWAKI, Sharon Y.	✓			
RIVIERE, Gil				✓
SHIMABUKURO, Maile S.L.	✓			
TANIGUCHI, Brian T.	✓			
FEVELLA, Kurt	✓			
TOTAL	10			3
Recommendation:				
<input checked="" type="checkbox"/> Adopted				
<input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes