

Honolulu, Hawaii

, 2019

FEB 28

RE: H.B. No. 632

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. 632, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Provide a general excise tax (GET) exemption for amounts received from the sales of prescription drugs sold pursuant to the prescription, diabetic supplies, prosthetic devices, medical oxygen, human blood and its derivatives, mobility enhancing equipment sold by prescription, durable medical equipment, and repair and replacement parts for any of the exempt aforementioned devices and equipment;
- (2) Repeal the exclusion of cannabis or manufactured cannabis products from the definition of "prescription drugs" for purposes of the GET tax exemption; and
- (3) Expand the definition of prosthetic devices that are eligible for the exemption.

The Disability and Communication Access Board, Councilmember representing District 9 of Hawaii County Council, and O'ahu County



Committee on Legislative Priorities of the Democratic Party of Hawai'i submitted testimony in support of this measure. The Department of Taxation and Tax Foundation of Hawaii offered comments on this measure.

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 H.B. No. 632, H.D. 1, and recommends that it pass Third Reading.

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

A handwritten signature in black ink, appearing to read 'Sylvia Luke', is written over a horizontal line.

SYLVIA LUKE, Chair



