

STAND. COM. REP. NO.

1408

Honolulu, Hawaii

MAR 19

, 2019

RE: S.B. No. 530  
S.D. 2  
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 Health, to which was referred S.B. No. 530,  
S.D. 2, 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 provide certain exemptions  
to the general excise tax. Specifically, this measure:

- (1) Exempts from the general excise tax the sale of mobility enhancing equipment, hearing aids, prescription drugs sold from any source pursuant to a doctor's prescription, and prosthetic devices; and
- (2) Expands the scope of devices included in the existing definition of prosthetic device for purposes of the general excise tax exemption.

The Disability and Communication Access Board, Policy Advisory Board for Elder Affairs, and an individual supported this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by exempting durable medical equipment from the general excise tax.

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Your Committee notes that the Department of Taxation is able to administer the amendments in this measure; provided that the effective date is delayed until January 1, 2020.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 530, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 530, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

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

  
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JOHN M. MIZUNO, Chair



