

DAVID Y. IGE
GOVERNOR

JOSH GREEN M.D.
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
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RONA M. SUZUKI
DIRECTOR OF TAXATION

DAMIEN A. ELEFANTE
DEPUTY DIRECTOR

To: The Honorable Donovan M. Dela Cruz, Chair;
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair;
and Members of the Senate Committee on Ways and Means

From: Rona M. Suzuki, Director
Department of Taxation

Re: S.B. 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Date: Thursday, February 27, 2020

Time: 2:20 P.M.

Place: Conference Room 211, State Capitol

The Department of Taxation (Department) appreciates the intent of S.B. 2112 and offers the following comments.

S.B. 2112 amends section 237-23, Hawaii Revised Statutes (HRS), which governs administration of exemptions from the general excise tax (GET). The measure deletes language restricting nonprofits from claiming the GET exemption for fundraising activities, even if income from those activities is to be used in furtherance of the nonprofit's other activities that otherwise would be exempt from taxation (such as charitable, education, or scientific activities). The measure adds new language prohibiting the exemption for any "activities that are taxable as unrelated business taxable income under section 512 of the Internal Revenue Code of 1986, as amended[.]" The measure has an effective date of July 1, 2020.

The Department notes that although nonprofit organizations' fundraising activities are exempt from Hawaii income tax, those same gross receipts from fundraising are subject to GET. This bill aims to expand the GET exemption for tax-exempt organizations to exempt fundraising receipts and all activities except for those that meet the definition of "unrelated business taxable income" under section 512 of the Internal Revenue Code (IRC), to which Hawaii income tax law already conforms under section 235-2.4(ee), HRS.

The Department is able to administer the bill as written, but respectfully requests that any changes to the GET be made effective for gross receipts received on or after January 1, 2021. This will allow sufficient time for the Department to make the necessary form and computer system changes.

Thank you for the opportunity to provide comments.



UNIVERSITY of HAWAII®
FOUNDATION

**Testimony Presented Before the
Senate Committee on Ways and Means**

Hearing Date: February 27, 2020
Time: 2:20 p.m.
Location: Room 211, State Capitol
Committee: House Committee on Finance
Testifier: John Han, Chief Operating Officer (Written Testimony Only)
University of Hawai'i Foundation
1314 S. King Street, Suite B
Honolulu, HI 96814

Senate Bill: Senate Bill 2112 Relating to the Exemption of Certain Income from the State General Excise Tax

Aloha Chair Dela Cruz, and Committee members,

Thank you for the opportunity to testify. **The University of Hawai'i Foundation supports the passage of this bill.** Last year the Foundation paid over \$100,000 in general excise tax. As the non-profit with the mission of raising private support for University of Hawai'i students, programs and research, this \$100,000 could have instead supported organizational fundraising operations and resulted in more funds raised that would have directly impacted the families UH serves.

ABOUT THE UH FOUNDATION

Established in 1955, the Foundation raises, manages and invests donor contributions for the sole purpose of supporting UH. Students and communities statewide benefit from these donor contributions through scholarships, outreach programs, improved facilities and programs, and applied research in areas from health to sustainability.

UH FOUNDATION SUPPORTS PASSAGE OF BILL

This bill addresses a contradiction with existing law. The Foundation is exempt from federal and state income taxes because it operates for "public benefit." The Foundation pays no income taxes on its



UNIVERSITY *of* HAWAI'I®

FOUNDATION

fundraising income, yet it pays general excise tax on income from fundraisers it hosts for the benefit of the University. The Foundation is not taxed on a \$1,000 donation made by a donor, yet it is taxed on \$1,000 ticket purchased for a table at a fundraiser for the University.

Passage of this bill will allow the Foundation to leverage these dollars to better serve our UH students and support accessible, quality higher education at home. The Foundation requests your support of this measure.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: GENERAL EXCISE; Apply Only to UBIT of Non-Profit Organizations

BILL NUMBER: SB 2112; HB 1801

INTRODUCED BY: SB by BAKER by request; HB by TAKUMI, ICHIYAMA

EXECUTIVE SUMMARY: Provides that the GET applies only to the unrelated business taxable income of nonprofit organizations.

SYNOPSIS: Amends section 237-23, HRS, to provide that charitable organizations would be generally exempt upon income derived from their activities, provided that activities taxable as unrelated business taxable income (UBIT) under IRC section 512 would not be exempt.

EFFECTIVE DATE: July 1, 2020.

STAFF COMMENTS: Currently, the Hawaii general excise tax (GET) applies to tax-exempt organizations such as charities by generally dividing their income into three categories:

- Gifts, grants, contributions, and dues, which are not taxed.
- Income from any activity the primary purpose of which is to produce income (“fundraising income”), which is taxable.
- Income from an activity importantly furthering the exempt purpose of the organization but is not primarily to produce income (such as school tuition), which is not taxable as long as the organization is properly registered with the Department of Taxation.

This standard is very different from that used in income tax. IRC section 512 imposes tax on the net income from an “unrelated trade or business,” which term is defined extensively in IRC section 513 but, generally is any trade or business the conduct of which is not substantially related (aside from the need of such organization for income or funds or the use it makes of the profits derived) to the exercise or performance by such organization of its charitable, educational, or other purpose or function constituting the basis for its tax exemption.

The change sought to be made by this bill probably would make the determination of tax-exempt income easier, because there is extensive federal guidance under IRC section 513. However, because IRC section 513 is somewhat narrower in scope than fundraising income, so revenue effects need to be considered as well.

Digested 2/24/2020

HAWAII YOUTH SERVICES NETWORK

677 Ala Moana Boulevard, Suite 904 Honolulu, Hawaii 96813

Phone: (808) 489-9549

Web site: <http://www.hysn.org> E-mail: info@hysn.org

Rick Collins, President

Judith F. Clark, Executive Director

Bay Clinic

Big Brothers Big Sisters of Hawaii

Big Island Substance Abuse Council

Bobby Benson Center

Child and Family Service

Coalition for a Drug Free Hawaii

Collins Consulting, LLC

Domestic Violence Action Center

EPIC, Inc.

Family Programs Hawaii

Family Support Hawaii

Friends of the Children of West Hawaii

Hale Kipa, Inc.

Hale 'Opio Kauai, Inc.

Hawaii Children's Action Network

Hawaii Health & Harm

Reduction Center

Hawaii Student Television

Ho'ola Na Pua

Kahi Mohala

Kokua Kalihi Valley

Kokua Ohana Aloha (KOA)

Maui Youth and Family Services

Na Pu'uwai Molokai Native Hawaiian Health Care Systems

P.A.R.E.N.T.S., Inc.

Parents and Children Together (PACT)

PHOCUSED

PFLAG – Kona Big Island

Planned Parenthood of the Great Northwest and Hawaiian Islands

Residential Youth Services & Empowerment (RYSE)

Salvation Army Family Intervention Services

Sex Abuse Treatment Center

Susannah Wesley Community Center

The Catalyst Group

February 25, 2020

To: Senator Donovan Dela Cruz
And members of the Committee on Ways and Means

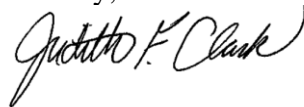
Testimony in Support of SB 2112 SD 1 Related to the Exemption of Certain Income from General Excise Tax.

Hawaii Youth Services Network, a statewide coalition of youth-serving organizations, supports SB 2112 SD 1 Related to the Exemption of Certain Income from General Excise Tax.

Income generated by fundraising events should be treated the same as donations. If someone gives a \$1000 donation to a nonprofit, NO GET is paid. But if that same donor gives \$1000 for a fundraiser dinner, the nonprofit has to pay \$104 in GET. The GET paid on fundraising events takes away funds that would be spent on the nonprofit's mission, and the GET savings that would result from this bill would go towards these missions.

Thank you for this opportunity to testify.

Sincerely,



Judith F. Clark, MPH
Executive Director

SB-2112

Submitted on: 2/25/2020 10:04:11 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jessanie Marques	Testifying for Kau Rural Health Community Association, Inc.	Support	No

Comments:

As a small 501 C (3) Non Profit Organization we ask for your support of SB2112 SD1 because :

- Income generated by fundraising events should be treated the same as donations. If someone gives a \$1000 donation to a nonprofit, NO GET is paid. But if that same donor gives \$1000 for a fundraiser dinner, the nonprofit has to pay \$104 in GET.
- The GET paid on fundraising events takes away funds that would be spent on the nonprofit's mission, and the GET savings that would result from this bill would go towards these missions.
- Nonprofits should be encouraged to generate income from fundraising events but the GET disincentivizes them to do so.
- Because nonprofits pay GET on the gross income of fundraising events, they are taxed twice: once when the goods and services are bought for the event and then again on the income received for the event.

Mahalo,

Jessanie Marques, Executive Director

Kau Rural Health Community Association, Inc.



HAWAII SUBSTANCE ABUSE COALITION

SB2112 Exempt Non-Profits from GET for Fundraising

COMMITTEE ON WAYS AND MEANS:

- Sen. Donovan Dela Cruz, Chair; Sen. Gilbert Keith-Agaran, Vice Chair
- Thursday: Feb. 27th, 2020: 2:20 pm
- Conference Room 211

Hawaii Substance Abuse Coalition Supports SB2112:

GOOD MORNING CHAIR, VICE CHAIR AND DISTINGUISHED COMMITTEE MEMBERS.

My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization of over 30 non-profit alcohol and drug treatment and prevention agencies.

HSAC supports that donations should be tax exempt to a non-profit regardless of the avenue from which it is given.

- ***Non-profits have exempt status for donations because they need the community support*** for operations to help others. Income generated by fundraising events should be treated the same as donations, which is that no GET is paid by the non-profit.
- ***Non-profits need charitable giving support considerations from the state to be able to support our community.*** These are difficult times for non-profits with changes in the charitable giving deduction structure by the Federal government, which is less encouragement than before. The GET paid on fundraising events takes away funds that would be spent on the nonprofit's mission, and the GET savings that would result from this bill would go towards these missions.
- ***Let's incentivize non-profit fundraising to help reduce the need for more government support.*** Non-profits should be encouraged to generate income from fundraising events but the GET disincentives them to do so.
- ***Non-profits already pay GET tax on the purchase of goods for fundraising and don't want to pay it twice.*** Because nonprofits pay GET on the gross income of fundraising events, they are taxed twice: once when the goods and services are bought for the event and then again on the income received for the event.

Please help non-profits continue to provide valuable community support to the fullest extent possible by removing GET on fundraising activities by a non-profit.

We appreciate the opportunity to provide testimony and are available for questions.

SB-2112

Submitted on: 2/25/2020 11:04:24 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Turansky - New Horizons	Testifying for New Horizons Counseling	Support	No

Comments:

Aloha,

New Horizons Counseling is a nonprofit 501c3 practicing here in the State of Hawaii. We always are operating on a shoestring budget. Recently we attempted a fundraiser but ended up losing 3K. I ask that this bill be passed so that we can continue to help the people of Hawaii.

Mahalo

Mark Turansky
Clinical Director



1523 Kalakaua Avenue
Suite 204
Honolulu, HI 96826
808.734.1314
808.356.0232 Fax
asashawaii.org

Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB 2112, Relating to the Exemption of Certain Income from the State General Excise
Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

We are in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

After-School All-Stars Hawaii provides comprehensive after-school programs that keep children safe and help them succeed in school and life. Last year we provided free after-school programs, every school day of the year, to 2331 middle and intermediate school students. We operate at 10 Title I school sites on Oahu and the Big Island.

Unrestricted funding to support our work is extremely hard to come by, but essential to ensure that we can continue to offer high quality and comprehensive services to our students. After-School All-Stars Hawaii hosts a small but successful gala fundraiser each year to raise these unrestricted funds.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations. If this bill is passed, the GET savings we would see would allow us to fund those essential operations that ensure the continuity and success of the work we do. Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our the in-need middle and intermediate students of Hawaii. We strongly urge you to pass this legislation.

Thank you for the opportunity to submit this written testimony.

Sincerely

A handwritten signature in black ink, appearing to read "Paula Fitzell".

Paula Fitzell
President/CEO

SB-2112

Submitted on: 2/25/2020 12:53:38 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Scott N. Giarman	Testifying for Kauai United Way	Support	No

Comments:

Aloha--

As Exececutive Director of Kauai United Way, I am in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

Non-profits in Hawaii provide a critical service by offering vital social service programs that Government will not fund. In particular, Kauai United Way vets annually and funds 80+ individual social service programs that save lives on our island every day and directly benefit tens of thousands of Kauai people every year.

We run our operation extremely frugally because of our underlying understanding that every dollar we spend represents a dollar that will not go to benefit the people of our island. This includes the GET we must now pay on fundraising events.

To have our burden of GET released will translate directly into additional services to the people of Kauai. We all will benefit. I urge passage of this bill.

--Scott N. Giarman

sng@kauaiunitedway.org

(808) 245-2043

SB-2112

Submitted on: 2/25/2020 1:30:58 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John Parkinson	Testifying for Ballet Hawaii	Support	No

Comments:

SB-2112

Submitted on: 2/25/2020 1:51:13 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Tom Shigemoto	Testifying for Kauai United Way	Support	No

Comments:

Honorable Chair Dela Cruz,

As a director of the Kauai United Way, I hereby submit my testimony in strong support of the subject bill SB2112, SD1 relating to GET tax exemptions for non-profit fund raising events. I understand that currently a donation to a non-profit is exempt from GET, while fund raising events requires the non-profit to pay a certain percentage of it's proceeds for GET.

I have been on many non-profit boards and these great organizations for what they do for our communities simply cannot rely on direct donations to fund their missions. These organizations must rely on fund raising events to raise sufficient funds to operate and to serve their clientele to meet their objectives. The funds that these non-profits receive are in fact donations from the broader community who will attend a function or event to support that cause. Every penny that goes to paying the GET is a penny less that the non-profit can expend to better their cause.

I humbly ask for your understanding of our situation and for your support in approving the exemptions. Aloha.

1011 Waiianuenu Avenue
Hilo, Hawaii 96720-2019
Phone: (808) 969-1733
Fax: (808) 961-7397

care@hawaiicarechoices.org
www.hawaiicarechoices.org

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COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

RE: **TESTIMONY IN SUPPORT OF SB2112 SD1**
RELATING TO THE EXEMPTION OF CERTAIN INCOME
FROM THE STATE GENERAL EXCISE TAX
Hearing: Thursday, February 27, 2020

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the
Committee:

We are in **strong support** of SB 2112 and the SD1 version proposed by
HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would
exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax
(GET) on income generated from fundraising events, as defined in the
proposed SD1.

Hawaii Care Choices is a nonprofit, tax-exempt charitable organization which
exists to provide compassionate, holistic, palliative care to patients facing a
serious or life-limiting illness and their loved ones who care for them. In
addition, our organization is committed to providing the community-at-large
with bereavement support and grief counseling. With support from the public,
we provide hope, comfort, dignity and peace of mind for those who are dealing
with end of life issues.

We support the passage of this bill that would relieve our organization from
having to pay general excise tax on our fundraising income, which is of vital
importance to funding our hospice inpatient facility, palliative care and
bereavement programs. Equally important, GET savings would allow us to
invest in our greatest asset – our Team.

Every dollar raised stays in East Hawaii to sustain our programs as well as
expand our capabilities to meet the growing needs of our community. Thank
you for the opportunity to submit this written testimony. We strongly urge you
to pass this legislation.

Respectfully,



Brenda S. Ho, MS, RN
Chief Executive Officer



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF SB 2112 and the SD1 version proposed by HANO: Relating to the Exemption of Certain Income from the State General Excise Tax

TO: Senator Donovan M. Dela Cruz, Chair, Senator Gilbert S.C. Keith-Agaran, Vice Chair, and Members, Committee on Ways & Means

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawaii

Hearing: **Thursday, 2/27/20; 2:20 pm; Room 211**

Chair Dela Cruz, Chair Keith-Agaran, and Members, Committee on Ways & Means:

Thank you for the opportunity to provide testimony **in strong support of SB 2112 and the SD1 version proposed by the Hawaii Alliance of Nonprofit Organizations (HANO)**. This proposed SD1 would exempt 501(c)(3) tax-exempt organizations from paying GET on the income that they receive from their fund-raising events, as described in the proposed SD1. I am Rob Van Tassell, with Catholic Charities Hawaii.

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for over 70 years. CCH has programs serving elders, children, families, homeless and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawaii.

Catholic Charities Hawaii provides many services which are a high priority for the state, such as ending homelessness. Yet often, the state contracts may not cover the full cost of the programs, especially since over time, funding for the contracts may not increase, yet salaries and other costs to provide these services do increase. Fundraising and donations to Catholic Charities Hawaii are major ways for us to continue these services which are critical to our state. Our Mission drives our agency, so we go the extra mile to raise money to continue these important services, especially to the poor and vulnerable. However, the GET paid on fundraising revenues takes away funds that would be used for these programs. We urge you to support non-profits who generate income from fundraising rather than charging the GET on these events.

We urge you to treat fundraising revenue like donations. If a donor sends \$1000 to us, no GET is paid. But if she attends a fundraiser, we have to pay GET on the full cost, as well as paying GET on all the food or other goods bought for the event. This double taxation reduces the revenue that we can use for services to the elderly, the homeless, and other very needy populations.

We urge your support for the SD1 proposed by HANO. This would relieve Catholic Charities Hawaii from having to pay general excise tax on our fundraising income, which enables our organization to provide programs of vital importance to the people of Hawaii and to the State of Hawaii.

Please our Legislative Liaison, Betty Lou Larson, at bettylou.larson@catholiccharitieshawaii.org or (808) 373-0356, if you have any questions.



SB2112 Exempt Non-Profits from GET for Fundraising

COMMITTEE ON WAYS AND MEANS:

- ☐☐ Sen. Donovan Dela Cruz, Chair; Sen. Gilbert Keith-Agaran, Vice Chair
- Thursday: Feb. 27th, 2020: 2:20 pm
- Conference Room 211

The Coalition for a Drug-Free Hawaii Supports SB2112: Donations should be tax exempt to a non-profit regardless of the avenue from which it is given.

- *Non-profits have exempt status for donations because they operate on community support* for the public good. Income generated by fundraising events should be treated the same as donations, which is that no GET is paid by the non-profit.
- *Non-profits need charitable giving support considerations from the state to be able to support our community.* These are difficult times for non-profits with changes in the charitable giving deduction structure by the Federal government, which is less encouragement than before. The GET paid on fundraising events takes away funds that would be spent on the nonprofit's mission, and the GET savings that would result from this bill would go towards these missions.
- *Let's incentivize non-profit fundraising to help reduce the need for more government support.* Non-profits should be encouraged to generate income from fundraising events but the GET disincentives them to do so.
- *Non-profits already pay GET tax on the purchase of goods for fundraising and don't want to pay it twice.* Because nonprofits pay GET on the gross income of fundraising events, they are taxed twice: once when the goods and services are bought for the event and then again on the income received for the event.

Please help non-profits continue to provide valuable community support to the fullest extent possible by removing GET on fundraising activities by a non-profit.

With aloha,

Greg Tjapkes
Executive Director

Coalition for a Drug-Free Hawaii

SB-2112

Submitted on: 2/25/2020 4:45:19 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Bonnie West	Testifying for Non-Profit Agencies	Support	No

Comments:

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

As a board member of the Tri-Agency group of Aloha House, Malama Family Recovery Center, and Maui Youth and Family services, I am in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1. Our Tri-Agency group would greatly benefit from the passage of this bill, as we work to provide much-needed prevention and treatment services for substance use/abuse and mental health issues for the youth, adults, and mothers and children served by our programs. The elimination of GET on our fundraising events would allow for more funds to provide these services.

Maui Youth and Family Services provides a comprehensive continuum of programs and services including mental health and substance abuse treatment, emergency shelter and therapeutic foster homes, outreach and advocacy, independent living, prevention programs, and it is Maui's only non-restricted emergency shelter for youth. The organization serves approximately 2,500 youth per year.

Aloha House is the only non-profit provider of the following services on Maui: Residential substance abuse, crisis mental health and detox services, Separate Therapeutic Living Programs for Men and Women, In-Jail Treatment programs, Drug Court Treatment Program, and extensive mental health treatment services. The organization serves over 5,000 people per year with these programs.

Malama Family Recover Center provides caring, holistic substance abuse treatment to women and children so families can live safe, independent and healthy lives. It is Maui's only women-specific addiction and substance abuse treatment center, and the only place on the island where young children and infants can live with their mothers while they get help in therapeutic and sober living environments. The organization serves approximately 160 clients per year.

1. Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs.

I support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations.

Your favorable consideration in passing this legislation is of the utmost importance.

Thank you for the opportunity to submit this written testimony.

Bonnie West-Baker

Board Member

Aloha House

Malama Recovery Center

Maui Youth and Family Services

Hope for Hawai'i Cancer Patients

The American Cancer Society's mission is to save lives, celebrate lives, and lead the fight for a world without cancer.

February 26, 2020

Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee members,

Thank you for the opportunity to provide testimony in support of SB 2112, which exempts certain income from the general excise tax for non-profit organizations.

Non-profit organizations rely on fundraising efforts to use for mission related purposes. The American Cancer Society uses funds raised through our social galas and other events for cancer research grants, patient services, cancer information through our website and 24-hour hotline, as well as to support the operations of the Clarence T.C. Ching Hope Lodge Hawai'i, which provides free lodging for cancer patients and caregivers travelling to O'ahu for treatment.

Currently under the general excise tax law, donations provided through a fundraiser are subject to the tax while a monetary donation would not. To maximize fundraising opportunities, non-profit organizations engage in fundraising events to engage potential donors, highlight and educate the benefits of donated funds to the community, and to provide social engagement and networking for donors. This measure would exempt gross receipts from our events so that we can use the funds to further our mission to save lives, celebrate lives, and lead the fight for a world without cancer.

Thank you for the opportunity to provide testimony on this important matter.

Sincerely,



Cathy Alsup, CFRE
Executive Director
American Cancer Society, Hawai'i Pacific



Community Partnerships



TESTIMONY TO THE SENATE COMMITTEE ON WAYS AND MEANS

SENATOR DONOVAN DELA CRUZ, CHAIR

SENATOR GILBERT KEITH-AGARAN, VICE CHAIR

Thursday, February 27, 2020, 2:20 pm, Room 211

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

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www.hugshawaii.org



Aloha United Way

AUW Designation #96590

CFC Designation #84333

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

HUGS For Hawaii's Seriously Ill Children and Their Families (HUGS) is in **strong support** of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated on fundraising events, as defined in the proposed SD1.

Incorporated in 1982, HUGS is a local, home-grown 501(c)(3) organization whose mission is to improve the quality of life for Hawaii's families who have a child, infants to 21 years old, with a life-threatening illness. HUGS provides free comprehensive, long-term support services for children, who have a wide variety of life-threatening illnesses, such as cancer, cardiac ailments, cystic fibrosis, kidney and liver disease, and their families.

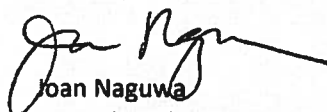
Understanding that life-threatening childhood illness impacts each member of the family, HUGS provides unique programs for each family member (including siblings), such as peer support activities, respite activities, hospital visitation, family events, case management and financial assistance, to alleviate the many emotional and financial stressors that they endure. HUGS currently serves over 400 local families (1,835 individuals) statewide and is not affiliated with any national organization; thus relying upon the local community to support its mission. All services are **free** of charge to these families.

The journey of these families is one of initial shock and upheaval upon diagnosis, followed by complex and prolonged medical treatment, financial hardship, unrelenting emotional distress and anxiety, and social isolation – lasting for several years or a lifetime until remission or bereavement. HUGS' overall goal is to strengthen these families by building family resiliency, reducing social isolation and alleviating financial burden.

We support the passage of this bill that would relieve HUGS from having to pay GET on our fundraising income, which is of vital importance to funding our charitable operations. Thirty percent (30%) of our funding for program services and operations are raised each year from fundraising events. Last year, we paid nearly \$10,000 in GET from revenue raised at these events. If this bill is passed, the GET savings would allow us to expand our outreach services to neighbor island families and create greater efficiencies of service for our families. Every dollar HUGS must pay in GET is a dollar less that we can devote to our services for Hawaii's families with seriously ill children.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,


Joan Naguwa
Executive Director

418 Kuwili Street Suite 106
Honolulu, Hawai'i 96817

bbshawaii.org

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Aloha United Way

Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair, Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB 2112, Relating to the Exemption of Certain Income from the State General
Excise Tax

February 25, 2020

Honorable Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committee on Ways and Means:

Big Brothers Big Sisters Hawaii strongly supports SB 2112 and the SD1 version proposed by the Hawaii Alliance of Nonprofit Organizations. As proposed, SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events as defined in the proposed SD1.

We serve children who have trauma from adverse childhood experiences such as divorce, domestic violence, sexual or other abuse, neglect, or the loss of one or both parents due to suicide or substance abuse. Much research documents that the presence of even one caring, responsible adult can positively impact the life of a child. We provide adult mentors who are supported by our professional case management team. Together, we strive to help each child reach his full potential by helping them avoid risky behavior, stay in school, and build hope for their futures.

It's interesting that some who don't work in the nonprofit sector say "just hold another fundraising event" to get the funds we need – like a golf tournament or gala dinner. Then when we do, we're criticized for having a low return on investment for the events because they require a lot of manpower and expenses -- including GET! Every dollar our organization pays in GET is one less dollar we can devote to our charitable mission and programs; money that could help us serve more children who can benefit from a mentoring relationship.

We urge you to pass this legislation for the benefit of all 501(c)(3) tax-exempt organizations. The money we save being GET exempt will help us serve more families, have donors feel better about giving, and assist government in dealing with many of the issues and needs of our community.

Thank you for the opportunity to submit this written testimony.


Dennis Brown
President/CEO

Big Brothers Big Sisters Hawai'i is comprised of:

Big Brothers Big Sisters
of Honolulu

Big Brothers Big Sisters
of East Hawai'i Island

Big Brothers Big Sisters
of West Hawai'i Island

Big Brothers Big Sisters
of Kaua'i

Big Brothers Big Sisters
of Maui

Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I am in **strong support** of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

I serve on the boards of several community non-profit organizations in Hawaii which support education, health, financial, well-being, and economic activity. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to **increase support and services** and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an **immediate** impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,



Christopher Yasuma
President, Hawaii Children's Cancer
Foundation



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NATIONAL HEADQUARTERS 3530 Papalina Road, Kalāheo, Hawai'i 96741 USA
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Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB 2112, Testimony to the Senate Committee on Ways and Means

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

We are in **strong support** of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

The National Tropical Botanical Garden is a 501(c)(3) organization that is dedicated to preserving tropical plant diversity and curtailing the wave of extinction-through plant exploration, propagation, habitat restoration, scientific research and education. We have made conservation of endangered and threatened flora our highest priority. We fund our operations through charitable donations, memberships and tour revenue through our 5 Botanical Gardens, 4 of which are located in Hawaii.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations.

If this bill is passed, the GET savings we would see would allow us to use 100% of our fundraising income on our plant conservation efforts.

Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Warm Regards,

Tami Rollins

Tami Rollins
CFO



Testimony to the Senate Committee on Ways and Means

Senator Donovan Dela Cruz, Chair

Senator Gilbert Keith-Agaran, Vice Chair

Thursday, February 27, 2020, 2:20 p.m.; Room 211

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I want to share our support for SB 112 SD1 version. We volunteer a lot of time to gaining each penny needed to support our mission.

Native Stories is a non-profit audio content platform and production house focused on providing access to authentic stories and experiences – of its people, place, perspective, history and culture – in service to those that came before us and the understanding of life that should be passed down through generations and around the world. It provides access to outside and in-house produced content through a mobile app and website. We invite all storytellers, cultural practitioners, historians to share their indigenous 'ike (knowledge) to enrich Lāhui.

Fundraisers are a lot of work to put on. People volunteer their time to add any amount possible to help fund our projects. We want attendees to know we are using the money they have donated and attending an event. We do not want to pay GET if we do not get paid ourselves. We normally need to fundraise in order to have enough money to pay for the up front costs of the event.

Please pass the bill so that non profits can use all the money made from fundraising events.

Aloha nō,
Nohealani Frizzell
President
Native Stories



**Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair Senator Gilbert Keith-Agaran, Vice
Chair Thursday, February 27, 2020, 2:20 p.m.; Room 211 SB 2112,
Relating to the Exemption of Certain Income from the State General
Excise Tax**

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the
Committee on Ways and Means:

We are in **strong support** of SB 2112 and the SD1 version proposed by
HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would
exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax
(GET) on income generated from fundraising events, as defined in the
proposed SD1.

Read To Me International is a 501(c)(3) organization whose mission is to
promote the love and joy of reading aloud. Our goal is to ensure that every
child is read aloud to every day by equipping families with tools and techniques
to confidently model and promote reading aloud. We provide services across
five islands and serve an average of 7,000 people each year.

We support the passage of this bill that would relieve our organization from
having to pay general excise tax on our fundraising income, which is of vital
importance to funding our charitable operations.

If this bill is passed, the GET savings we would see would allow us to provide
additional program services to Hawaii's communities with the greatest needs.

Every dollar our organization must pay in general excise taxes is a dollar less
that we can devote to our tax exempt, charitable mission and programs.

We strongly urge you to pass this legislation. Thank you for the opportunity to
submit this written testimony.

Mahalo,

Lynne Waihee
President

Kara Kusunoki
Executive Director



Waioli Corporation

GROVE FARM MUSEUM • WAIOLI MISSION HOUSE AND TARO LANDS • MAHAMOKU • PUHI ROUND HOUSE • LEPEULI AHUPUA'A

RDK HERMAN, EXECUTIVE DIRECTOR

Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211

SB2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

The Waioli Corporation strongly supports SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

The Waioli Corporation is a 501(c)(3) tax-exempt organization operating three historic-home museums on Kaua'i: The 1838 Waioli Mission House, the 1850 Grove Farm homestead, and the 1915 Mahamoku Beach house. All three properties are associated with the family of New England Protestant missionaries Abner and Lucy Wilcox. The Waioli mission house was restored in 1919 and opened to the public as a museum. The Grove Farm homestead was occupied by Wilcox descendants until 1978, but was established as a public museum in 1979 and opened to the public in 1981. The Mahamoku beach house is the oldest surviving building on the beach at Hanalei, and demonstrates life in Kaua'i at that time.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations. Much of our endowment was lost in the 2008 crash, and we have been struggling ever since to regain our financial footing. Every dollar we are able to save due to the passage of this bill would help us preserve these historic, museum treasures for the education of future generations.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

I ka pono,

R. Douglas K. Herman,
Executive Director



98-820 Moanalua Road, Unit 15-1, PMB
720, Aiea, Hawai'i 96701
www.alohadiaperbank.org



Testimony to the Senate Committee on Ways and Means

Senator Donovan Dela Cruz, Chair

Senator Gilbert Keith-Agaran, Vice Chair

Thursday, February 27, 2020, 2:20 p.m.; Room 211

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:


The Aloha Diaper Bank is in **strong support** of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.


The Aloha Diaper Bank, a newly fiscal sponsored program under Moms On A Mission Hawaii, a nonprofit 501c3, provides diapers and wipes to families struggling with diaper need due to low-income, homelessness, or suffering from immediate crisis. In the one year since the launch of our program, the Aloha Diaper Bank has distributed over 20,000 diapers and wipes to families living in poverty on Oahu; and have recently received requests to help families on Maui, Kauai, Lanai, Molokai and Niihau. As we find ourselves rapidly expanding to meet the needs of our island families we also need to generate funds through active fundraising to maintain our diaper and wipe supplies.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance for our organization ability purchase diapers and wipe. Every penny that goes to paying the GET is a penny less that can be spent toward diapers and wipes; and allow us to continue our work to help Hawaii's children living in poverty to stay healthy, clean and dry.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,


Anne Komatsu,
Executive Director


Catherine Kerch,
Vice President



HAWAI'I COMMUNITY
FOUNDATION

February 27, 2020

Senate Committee on Ways and Means
Hearing: 2:20 p.m. February 27, 2020
Hawaii State Capitol Room 211

Re: SUPPORT for SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and members of the committee:

The Hawaii Community Foundation supports SB 2112, relating to the exemption of certain income from the state general excise tax, which clarifies the application of the GET law to the unrelated business taxable income of nonprofit organizations. This bill would relieve nonprofit organizations from having to pay general excise tax on their fundraising income, which is exempt function income and vital support to many charitable operations.

This income is exempt from federal and state income taxes because the organizations provide necessary public programs and services that are critically needed by the community, and many of its vulnerable populations. Many charitable organizations are dependent on fundraising income from, events, galas, car washes, silent auctions, bake sales, rummage sales, golf tournaments, and a myriad of similar activities to fund their operations and programs. We believe that this bill is an important step toward support not only for non-profit organizations but the populations they serve.

The Hawaii Community Foundation supports SB 2112. Please advance this measure.



**Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020 at 2:20 p.m.
Conference Room 211**

SB 2112 Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the WAM committee:

On behalf of the Hawai'i Alliance of Nonprofit Organizations (HANO), I would like to thank you for hearing **SB 2112**. HANO offers amendments in the proposed SD1 (attached). This revised language defines "fundraising event" and clarifies that income only from fundraising events conducted by nonprofit organizations would be exempt from the payment of general excise tax (GET). We testify in **strong support** of this bill.

HANO is a statewide, sector-wide professional association of nonprofits. Our mission is to unite and strengthen the nonprofit sector as a collective force to improve the quality of life in Hawai'i. Our member organizations provide essential services to every community in the state.

Hawaii's nonprofit sector plays a critical role in the social and economic well-being of our residents. Whether it is addressing homelessness, preserving our culture or environment, providing healthcare or education, Hawaii's nonprofits provide services, goods and resources to meet often neglected community needs.

Nonprofits must raise funds to carry out its mission and programs. Conducting fundraising events is one critical, mission-related way to raise needed operating funds. Events like bake sales, golf tournaments, and the ubiquitous honorary dinners are held for this purpose. Unfortunately, nonprofits are required to pay GET on income generated from these events which in turn reduces the funds raised.

HANO believes income generated by fundraising events should be treated the same as donations as they are essentially both donations but in different forms. Because GET is not paid on donations, if someone donates \$1000 to a nonprofit, no GET applies. But if that same donor gives \$1000 for a fundraiser dinner, the nonprofit has to pay \$104 in GET. While there may be a distinction between the two for GET purposes, there is no difference from the perspective of the donors and nonprofits. Nonprofits should be encouraged to generate income from fundraising events but the GET disincentivizes them to do so.

Most importantly, the GET paid on fundraising events takes away funds that would be spent on the nonprofit's mission and services. If passed, the GET savings that would result from this bill would go directly towards these missions as testimony from nonprofits describe.

Furthermore, because nonprofits pay GET on the gross income of fundraising events, they are taxed twice: once when the goods and services are bought for the event and then again on the income received for the event.

HANO strongly urges this Committee to pass this bill as amended.

Thank you for the opportunity to testify.

Mahalo,

Lisa Maruyama
President and CEO

A BILL FOR AN ACT

RELATING TO THE EXEMPTION OF CERTAIN INCOME FROM THE STATE
GENERAL EXCISE TAX.

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

1 SECTION 1. The legislature finds that nonprofit
2 organizations are exempt from federal and state income taxes
3 because they provide critically needed programs, goods, and
4 services, many of which would otherwise be provided by
5 government agencies and therefor, by taxpayers. The federal
6 income tax law does not tax a charitable, religious, or
7 educational organization's fundraising or contribution income
8 because such income is essential to the existence and provision
9 of program services and such organization's tax-exempt purposes.
10 Because government grants and subsidies are extremely limited,
11 public contributions, including financial support through
12 fundraising activities, are of existential importance to these
13 nonprofit organizations. Taxpayers receive a federal income tax
14 deduction for gifts and contributions that they make to these
15 organizations.

16 The legislature further finds that the State imposes the
17 general excise tax on charitable, religious, and educational

1 organizations' income from fundraising events. The taxation of
2 a nonprofit organization's fundraising income under chapter 237,
3 Hawaii Revised Statutes, deprives the nonprofit sector of
4 critically needed financial support for the delivery of program
5 services. Moreover, the general excise tax is imposed on gross
6 income and as such, nonprofit organizations are taxed on
7 fundraising income without deduction for any costs related to
8 those fundraising activities, such as room rentals, food and
9 beverage service, marketing, and other expenses, resulting in a
10 financial "double whammy" on nonprofit organizations.

11 The purpose of this Act is to exempt from the State's
12 general excise tax, the income from fundraising events conducted
13 by tax-exempt charitable, religious, and educational
14 organizations.

15 SECTION 2. Section 237-23, Hawaii Revised Statutes, is
16 amended by amending subsection (b) to read as follows:

17 "(b) The exemptions enumerated in subsection (a)(3) to (7)
18 shall apply only:

19 (1) To those persons who shall have registered with the
20 department of taxation by filing a written application for
21 registration in such form as the department shall prescribe,
22 shall have paid the registration fee of \$20, and shall have had

1 the exemption allowed by the department or by a court or
2 tribunal of competent jurisdiction upon appeal from any
3 assessment resulting from disallowance of the exemption by the
4 department;

5 (2) To activities from which no profit inures to the
6 benefit of any private stockholder or individual, except for
7 death or other benefits to the members of fraternal societies;
8 and

9 (3) To the fraternal, religious, charitable, scientific,
10 educational, communal, or social welfare activities of such
11 persons, or to the activities of hospitals, infirmaries,
12 sanitarium, and potable water companies, as such, and not to any
13 activity the primary purpose of which is to produce income even
14 though the income is to be used for or in furtherance of the
15 exempt activities of such persons, subject to section 237-A."

16 SECTION 3. Chapter 237, Hawaii Revised Statutes, is
17 amended by adding a new section to be appropriately designated
18 and to read as follows:

19 "§237-A Exemption for fundraising events by nonprofit
20 organizations. (a) This chapter shall not apply to amounts
21 received from fundraising events conducted by nonprofit

1 organizations, as defined in subsection (b) of this section,
2 provided:

3 (1) All gross receipts are recorded as such, in accordance
4 with generally accepted accounting practices, on the
5 books of the nonprofit organization; and

6 (2) All net proceeds are used solely and exclusively for
7 the nonprofit organization's charitable purposes as
8 recognized by the Internal Revenue Service in granting
9 the nonprofit organization's tax exempt status.

10 (b) For the purposes of this section, a "nonprofit
11 organization" means an organization exempt from tax under
12 section 501(c)(3) of the Internal Revenue Code of 1986, as
13 amended, that has complied with subsections 237-23(b), (c), and
14 (d).

15 (c) For the purposes of this section, "fundraising event"
16 shall mean an activity of limited duration, not regularly
17 carried out in the normal course of business, that attracts
18 patrons for community, social, and entertainment purposes,
19 including but not limited to, auctions, bake sales, block
20 parties, carnivals, competitions, concerts, craft sales,
21 bazaars, dinners, dances, golf tournaments, fairs, fashion
22 shows, festivals, galas, special event workshops, and sporting

1 events. Fundraising events do not include the operation of a
2 regular place of business in which services are provided or
3 sales are made during regular hours, such as bookstores, thrift
4 stores, gift shops, restaurants, ongoing internet sales,
5 regularly scheduled classes, professional services, or other
6 activities carried out in the normal course of business."

7 SECTION 4. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 5. This Act shall take effect on July 1, 2020.

10

INTRODUCED BY: _____

11

Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair; Senator Gilbert Keith-Agaran, Vice-Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB 2112: Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I am Cheryl Kakazu Park, a board member of the Beta Beta Gamma Foundation, which is testifying in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

The Beta Beta Gamma Foundation is a 501(c)(3) nonprofit organization founded in 1999, and whose over 400 members are alumnae of the Beta Beta Gamma Sorority founded at the University of Hawaii in 1948. Since its inception, the Beta Beta Gamma Foundation has been pleased to provide scholarships to UH students and grants to myriad organizations serving important community needs in Hawaii. Past grantees include:

- Adult Friends For Youth
- Aloha Medical Mission
- American Cancer Society
- American Red Cross, Hawaii Chapter
- Angels at Play Preschool & Kindergarten
- Boys & Girls Club of Hawaii
- Creative Connections Foundation
- Ethnic Education Foundation of Hawaii
- Family Programs Hawaii
- Family Promise of Hawaii
- Hale Kipa
- Hawaii Black Nurses Association
- Hawaii Foodbank
- Hawaii Meals On Wheels
- Healthy Mothers Healthy Babies Coalition of Hawaii (Piko Pals program)
- Hospice Hawaii
- HUGS (Help, Understanding, & Group Support)
- Kapi`olani Community College/Gallaudet University Regional Center for Hawaii School for the Deaf and the Blind and Pearl City High School
- KCAA Preschools of Hawai'i
- KIDZ for a Cause
- Lanakila Pacific
- Learning Disabilities Association of Hawaii
- Legal Aid Society of Hawai'i
- Maximum Legal Services Corporation
- Mental Health America of Hawaii
- Moiliili Community Center
- Mutual Assistance Association Center

- O Ka Mana O Ka Ho'ola cancer program
- PBS Hawaii Hiki No Program
- Read to Me International Foundation
- Rehabilitation Hospital of the Pacific Foundation
- Research Center of Hawaii (elder day care program)
- Resolve of Hawaii
- Roosevelt High School
- St. Francis School
- Teach for America
- The Bella Project
- The Children's Alliance of Hawaii, Inc.
- The Institute for Criminal Rehabilitation
- The Institute for Human Services
- The Japanese American Citizens League – Honolulu Chapter
- The Legal Clinic
- The Mediation Center of the Pacific
- The National Judicial College
- University of Hawai'i Speech and Hearing Clinic
- University of Hawai'i scholarships
- Volunteer Legal Services Hawaii
- Weed and Seed
- Winners' Camp Foundation
- YWCA of Honolulu

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding many charitable operations. Our organization is entirely run by unpaid volunteers, and the GET savings we would see if this bill is passed would allow us to increase our scholarships and grants. Every dollar that our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony. Mahalo.



Diamond Head Theatre

**Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax**

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I am in **strong support** of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

Please do not hamper our abilities as a non-profit to deliver needed services, in our case, entertainment and education. Every dollar counts!

Thank you for the opportunity to submit testimony.

Deena Dray
Executive Director

SB-2112

Submitted on: 2/26/2020 10:46:11 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nainoa Mau	Testifying for Friends of the Library of Hawai'i	Support	No

Comments:

This bill to exempt non-profit organizations from paying GET on certain types of fundraising income would allow our organization to retain more funding to support the Friends of the Library of Hawai'i mission of supporting our communities and public libraries through educational and literacy programming, librarian continuing education, and the promotion of public library services.



February 26, 2020

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D.K Kodama
D.K Restaurants

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Senate Committee on Ways and Means:

Thank you for the opportunity to submit testimony *in strong support of* SB 2112, which would exempt IRS 501(c) (3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events.

Hawaii Foodbank provides food to 1 in 8 Hawaii residents each year, approximately 12.5% of the state's population. Last year, we distributed over 12 million pounds of food on Oahu (10.7 million) and Kauai (1.3 million).

Hawaii Foodbank survives on donated product (about 89% of our food is donated). Our largest distribution program, 'Ohana Produce Plus provides fresh produce, dairy products and dry goods to several hundred working families on a weekly basis. In addition, we provide food through our 200 plus partner agencies through food pantries, shelters, soup kitchens, rehabilitation centers, domestic abuse shelters and residential programs.

In order to fulfill our mission, we must host fundraising events, which generates about 21% of our annual funding. Hawaii Foodbank invests a great deal of resources toward fundraising events but essentially taxed twice with each event: when we purchase goods and services and again on the fundraising income received.

Last year, Hawaii Foodbank paid over \$12,000 in general excise tax (GET) on our fundraising revenue, \$12,000 that could have instead be used to help provide 30,000 meals.

Passage of SB 2112 would provide Hawaii Foodbank with additional funds to support critical programs and services to help Hawaii's hungry, such as our School Pantry Program, which currently serves over 20 DOE school.

Exemption from GET will help us raise more direct funding to provide nourishment to Hawaii's hungry.

Mahalo for the opportunity to submit testimony.

With much respect and aloha,

Ron Mizutani
Hawaii Foodbank
President and Chief Executive Officer

Marielle Terbio
Hawaii Foodbank
Director of Community Engagement & Advocacy





FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

February 26, 2020

To: Senate Committee on Ways and Means
Hearing Date/Time: Thursday, February 27, 2020, 2:20 p.m.
Place: Hawaii State Capitol, Rm. 211

WRITTEN TESTIMONY ONLY

Subject: SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee on Ways and Means:

I am writing in **strong support** of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

The YMCA of Honolulu has been working in Oahu communities for 150 years and serves more than 100,000 people annually. With a focus on healthy living, youth development and social responsibility, the Y takes on initiatives it believes will make life better for the communities it supports. The Y's programs and services are open to children, teens, women and men of all ages, faiths and backgrounds. All programs promote the Y's core values of caring, honesty, respect and responsibility.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital important to funding our charitable operations.

If this bill is passed, the GET savings we would see would enable the Y to serve more people.

Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this testimony in strong support of SB 2112.

Mahalo.

Michael Broderick
President & CEO



February 26, 2020

**Testimony to the Senate
Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB2112, Relating to the Exemption of Certain Income from the State General Excise Tax**

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

We are in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

Founded in 1957, Junior Achievement of Hawaii (JA Hawaii) has a mission to inspire and prepare young people to succeed in a global economy. JA Hawaii links community volunteers from various professions to deliver entrepreneurship, work/career readiness, and financial literacy curriculum that adheres to national and Hawaii Department of Education common core standards to students across the state. The relationship between the community and the students is the critical driver for success through modeled mentorship, relationship building, and community involvement for the students and schools. In the school year 2019-20, we anticipate impacting over 10,000 students statewide.

We support the passage of this bill that would relieve our organization from having to pay the general excise tax on our fundraising income, which is of vital importance to funding our charitable operation.

If this bill passes, the GET savings we would see allows us to service an estimated 200-300 more public school students statewide annually.

Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax-exempt, charitable mission, and programs.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,

A handwritten signature in black ink, appearing to read "N. Gyotoku", is written over the printed name.

Nate Gyotoku
President & Executive Director
Junior Achievement of Hawaii

SB-2112

Submitted on: 2/26/2020 12:24:48 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
ELIZABETH AULSEBROOK	Testifying for Assn for Fundraising Professionals Aloha Chapter	Comments	No

Comments:

Aloha kākou Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I am in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

I support the passage of this bill that would relieve Hawai'i's tax-exempt organizations from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations. If this bill is passed, the GET savings we would see would allow us to directly benefit the children and families served by our nonprofit organizations. Every dollar our organizations pay in general excise taxes is a dollar less that we can devote to our charitable mission and programs. We strongly urge you to pass this legislation.

Mahalo a nui for your consideration and for the good work you all do,

Elizabeth Aulsebrook, MEd

47-380 Lulani Street,

Kaneohe, HI 96744



TO: Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Senate Committee on Ways and Means

FROM: Ryan Kusumoto, President & CEO of Parents And Children Together (PACT)

DATE/LOCATION: February 27, 2020; 2:20 p.m., Conference Room 211

RE: TESTIMONY IN SUPPORT OF SB 2112 (SD1 PROPOSED)– RELATING TO THE EXEMPTION OF CERTAIN INCOME FROM THE STATE GENERAL EXCISE TAX.

We strongly support the SD1 version of SB 2112 proposed by HANO (Hawaii Alliance of Nonprofit Organizations) which clarifies the application of the GET law to the unrelated business taxable income of nonprofit organizations. The bill would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

We support the passage of this bill that would exempt nonprofit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our mission and programs. As it stands, nonprofits cobble together funding – a combination of grants, fees for services, and fundraising -- to support operations. Organizations rely on fundraising dollars to provide critical support in filling the gap between what grants and fees cover and the true cost of services. Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to serving our clients and communities.

Founded in 1968, Parents And Children Together (PACT) is one of Hawaii’s not-for-profit organizations providing a wide array of innovative and educational social services to families in need. Assisting more than 15,000 people across the state annually, PACT helps families identify, address and successfully resolve challenges through its 18 programs. Among its services are: early education programs, domestic violence prevention and intervention programs, child abuse prevention and intervention programs, childhood sexual abuse supportive group services, child and adolescent behavioral health programs, sex trafficking intervention, poverty prevention and community building programs.

Thank you for the opportunity to testify in **support of SB 2112**, please contact me at (808) 847-3285 or rkusumoto@pacthawaii.org if you have any questions.

SB-2112

Submitted on: 2/26/2020 1:07:25 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Deges	Testifying for Hawaii Island HIV/AIDS Foundation	Support	Yes

Comments:



Inspiring Hope, Changing Lives

Visit us on the web: www.hopeserviceshawaii.org

Connect via email: info@hopeserviceshawaii.org

HOPE Help Line: 808-935-3050

TESTIMONY IN SUPPORT OF SB 2112: RELATING TO THE EXEMPTION OF CERTAIN INCOME FROM THE STATE GENERAL EXCISE TAX.

TO: Committee Chair, Vice-Chair and Committee Members
FROM: Brandee Menino, CEO, HOPE Services Hawaii, Inc.
Hearing: Tuesday, 2/27/20; 2:20 pm; Room 211

Thank you for the opportunity to testify in **support of SB 2112, and the SD1 version proposed by HANO Hawaii**, which would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

HOPE Services works to help the most vulnerable residents of Hawaii Island avoid and overcome homelessness. We do this through a variety of evidence-based approaches, including street outreach, emergency shelter, housing placement, and homeless diversion. While the Homeless Point in Time Count for Hawaii Island showed a 50% decrease in the number of individuals experiencing homelessness from 2016-2019, we are now seeing record numbers of our neighbors entering homelessness for the first time. If we want to reverse this trend, we will need to invest heavily in effective methods of helping people get housed and stay housed. One way we fund these programs is through fundraising events; however, income raised through these events is not treated the same as a donation. In fact, because nonprofits pay GET on the gross income of fundraising events, we are taxed twice: once when the goods and services are bought for the event and then again on the income received for the event.

This bill and the proposed amendment would relieve HOPE Services from paying the GET, and instead allow us to use our funds to help individuals and families avoid and overcome homelessness. It wouldn't just help those receiving services, though. The state, county, and taxpayers also stand to benefit when fewer people experience homelessness. For example, reducing the amount of people living on the street would likely lead to a reduction in utilization of emergency services, and a lower risk of the spread of infectious diseases, both of which would mean significant financial savings.

If passed, we would see GET savings that would allow us to continue our work toward the goal of ending homelessness.

Mahalo nui for your consideration of our testimony **in support SB2112 and the proposed SD1 version.**

Sincerely,

Brandee Menino,
Chief Executive Officer

JOIN OUR COMMUNITY



HOPE SERVICES HAWAII, INC.
ADMINISTRATIVE OFFICE
357 Waianuenue Avenue
Hilo, HI 96720
phone: (808) 935-3050
fax: (808) 935-3794

HALE MALUHIA
EMERGENCY SHELTER
110 Ululani Street
Hilo, HI 96720
phone: (808) 443-4717
fax: (808) 934-7456

KIHEI PUA
EMERGENCY SHELTER
115 Kapi'olani Street
Hilo, HI 96720
phone: (808) 933-6053
fax: (808) 934-0904

VETERAN HOUSING PROGRAMS
21 West Ohea Street
Hilo, HI 96720
phone: (808) 934-8658
fax: (808) 934-8658

FRIENDLY PLACE
RESOURCE CENTER
74-5593 Pawai Place
Kailua-Kona, HI 96740
phone: (808) 933-6062
fax: (808) 329-6219

WEST HAWAII EMERGENCY
HOUSING PROGRAM
74-5593 Pawai Place
Kailua-Kona, HI 96740
phone: (808) 217-5560
fax: (808) 327-2171

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EXECUTIVE LEADERSHIP
Chief Executive Officer
Brandee Menino



**Testimony to the Senate Committee on Ways and
Means Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room
211**

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I am writing in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

I am the Director of Development at the Boy Scouts of America, Aloha Council and our organization is committed to developing the next generation of leaders in these islands we call home.

We support the passage of this bill that would relieve us from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations.

If this bill is passed, the GET savings would essentially add in at least \$40,000+ annually back to our budget. This tax savings would be significant to our annual operation and would allow us to deliver more high-quality programs to the thousands of Scouts we serve.

Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax-exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,

Ellise Fujii

Director of Development



Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I am in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

I serve on the boards of several community non-profit organizations in Hawaii which support education, health, arts, community safety and well-being, and economic activity. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to increase support and services and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an immediate impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,



Dean K. Hirata
Board Member
Boy Scouts of America
Aloha Council

February 26, 2020

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

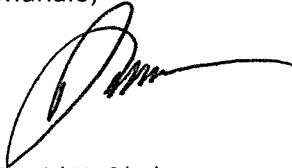
I am writing to support SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

As a member of the Diamond Head Theatre Board of Directors, I support the passage of this bill to treat fundraising income consistent with philanthropic support from donations, both of which are vital to funding our charitable operations.

If this bill is passed, GET savings would allow us to continue our mission as the Broadway of the Pacific to produce the best live community theatre entertainment and advance theatre arts through education in Hawaii. Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs.

We humbly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,

A handwritten signature in black ink, appearing to read 'David Y. Okabe', with a long horizontal flourish extending to the right.

David Y. Okabe

Chairman of the Board of Directors

Diamond Head Theatre

February 26, 2020

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

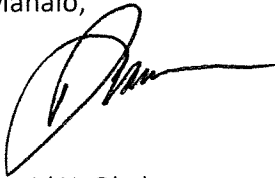
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As a member of the Hawaiian Humane Society Board of Directors, I support the passage of this bill to treat fundraising income consistent with philanthropic support from donations, both of which are vital to funding our charitable operations.

If this bill is passed, GET savings would allow us to continue as a community hub for animal lovers to shelter, rescue and adopt animals and provide programs and services to strengthen the human-animal bond. Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs.

We humbly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,

A handwritten signature in black ink, appearing to read 'David Y. Okabe', with a long horizontal flourish extending to the right.

David Y. Okabe

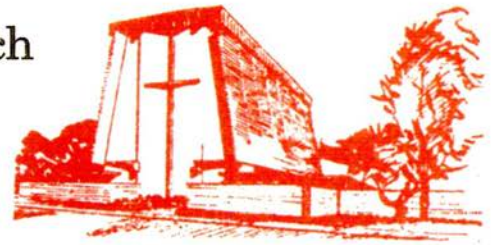
Member of the Board of Directors

Hawaiian Humane Society



Harris United Methodist Church

20 South Vineyard Boulevard
Honolulu, Hawaii 96813-2317
Ph: (808) 536-9602
Fax: (808) 536-9604



IN MINISTRY SINCE 1888

Testimony to the Senate Committee on Ways and Means

Senator Donovan Dela Cruz, Chair

Senator Gilbert Keith-Agaran, Vice Chair

Thursday, February 27, 2020, 2:20 p.m.; Room 211

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

We are in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

Once a year our church holds a Mission Bazaar where we sell a variety of donated merchandise to the general public. One hundred percent of the proceeds from the Bazaar are in turn granted to various local and foreign non-profit organizations.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our Mission Grant program. If this bill is passed, the GET savings we would see would allow us to pass along additional funds to the non-profits we help support. Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our Mission grant program.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony. M

Mahalo,

Dennis Pacht
Mission Bazaar Chair

Maui Non Profit Directors Association

P.O. Box 1186

Puunene, Hawaii 96784

Testimony to the Senate Committee on Ways and Means

Senator Donovan Dela Cruz,

Chair Senator Gilbert Keith-Agaran, Vice Chair

Thursday, February 27, 2020, 2:20 p.m.; Room 211

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

We are in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

The Maui Non Profit Directors Association represents more than 63 charitable organizations serving the needs of Maui County. Many of our members heavily rely on the proceeds from their fundraising efforts in order to provide vital services to our community.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income. If this bill is passed, the GET savings would be essential to the financial security of many MNPDA members.

Every dollar our organizations must pay in general excise taxes is a dollar less that they can devote to their tax exempt, charitable mission and programs.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,

Bevanne J. Bowers, President

Maui Non Profit Directors Association



Hawaii Children's Theatre

Mailing Address:
PO Box 662295
Lihue, Hawai'i 96766
Street Location:
4411E Kikowaena, Puhii

Tel: (808) 246-8985
Fax: (808) 246-9478
info@hawaiichildrenstheatre.org
www.hawaiichildrenstheatre.org

A Not-for-Profit Organization
99-0330749

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February 26, 2020

Testimony to the Senate Committee on Ways and Means Senator
Donovan Dela Cruz, Chair Senator Gilbert Keith-Agaran, Vice
Chair Thursday, February 27, 2020, 2:20 p.m.; Room 211 SB 2112

Relating to the Exemption of Certain Income from the State
General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of
the Committee on Ways and Means:

We are in strong support of SB 2112 and the SD1 version proposed
by HANO (Hawaii Alliance of Nonprofit Organizations). The
proposed SD1 would exempt IRS 501(c)(3) tax-exempt
organizations from paying general excise tax (GET) on income
generated from fundraising events, as defined in the proposed SD1.

Hawaii Children's Theatre is a small performing arts education
non-profit on the island of Kauai. We have been providing
programs for Kauai's keiki since 1996. We cannot survive on
tuition for our programs or the families here would not be able to
participate; we would have to raise tuition significantly. We give
away thousands of dollars each year in tuition assistance and to
make ends meet we fundraise locally.

We support the passage of this bill that would relieve our
organization from having to pay general excise tax on our
fundraising income, which is of vital importance to funding our
charitable operations. If this bill is passed, the GET savings we
would see would allow us to give more scholarship monies in
tuition assistance each year, as well as keep our organization
solvent. Every dollar our organization must pay in general excise
taxes is a dollar less that we can devote to our tax exempt,
charitable mission and programs. We strongly urge you to pass this
legislation.

Thank you for the opportunity to submit this written testimony.

Sincerely,

Debra Blachowiak, Board Treasurer



KONA DANCE & PERFORMING ARTS

81-973 HALEKI'I ST., KEALAKEKUA
(808)657-4473

Testimony to the Senate Committee on Ways and Means

Senator Donovan Dela Cruz, Chair

Senator Gilbert Keith-Agaran, Vice Chair

Thursday, February 27, 2020, 2:20 p.m.; Room 211

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

We are in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

Our mission is to provide high quality education and instruction in dance and performing arts to the local youth and the Big Island community. With a vision of every Big Island family empowered through dance and performing arts opportunities.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations.

If this bill is passed, the GET savings we would see would allow us to fund our youth programs that are needed in Kealakekua, Hawaii.

Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,
Dana J. Mattos
President, Board of Directors



LATE

*Building houses,
building hope*

Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211

Father Richard Tardiff
Board President

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Ron Lloyd
Vice President

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

Dr. Ann Marie Muramoto
Secretary

We are in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

Hobbs Lowson
Treasurer

Habitat for Humanity is a 501c3 and we need all the help we can receive to build homes for families in need. Hawaii has a home affordability crisis and more funds are required to build more homes.

Tony Cann

Leiola Augustine

Julie Ziemelis

Edwina Fujimoto

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations. If this bill is passed, the GET savings we would see would allow us to serve more families. Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs.

Napua Kekauoha-Chartrand

Melanie Lucas

Gail Noeau

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Patrick F. Hurney
Executive Director
Habitat for Humanity
West Hawaii, Inc.
PO Box 4619
Kailua-Kona, HI 96745

Mahalo,

Patrick F. Hurney
Executive Director

Phone (808) 331-8010
Fax (808) 331-8020
info@habitatwesthawaii.org
www.habitatwesthawaii.org



Community Partner

Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211

SB2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

We are in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposal SD1.

Lanakila Pacific is a Hawaii-based non-profit 501(c)(3) organization offering assistance programs and operating social enterprises to build independence and improve the quality of life for individuals with cognitive, physical, social or age-related challenges. Since 1939, its vision has been to embody self-sufficiency and inspire inclusive communities where people of all ages and abilities are empowered to live independently, find meaningful employment and thrive in spirit.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations.

If this bill is passed, the GET savings we would see would allow Lanakila Pacific to spend the funds we raise to support our nonprofit mission. We collectively serve and benefit more than 2,500 people each year including individuals with disabilities and seniors in our community.

Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,



Rona Y. Fukumoto
CEO and President

Lanakila Pacific Board
Scott Nahme, *Chair*
Tom Hutton, *Vice Chair*
Kristi O'Heron, *Secretary*
Dwayne Takeno, *Treasurer*
Maria Borje-Bonkowski
Paige Choy
Dawn Hirano

Frank Ho
Bill Kern
Matt Miller
Ashley Ono
Savan Patel
Sherri Yim
JoAnn Yosemite

**Lanakila Pacific
Foundation Board**
Ryan Yamamoto, *Chair*
Cleo Brown, *Vice Chair*
Alton Murakami,
Treasurer/Secretary
Carl Hinson
Emmit Kane
Bryan Kapeckas

Scott Kavanaugh
Derek Mizuno
Jackson Nakasone
Mike Robinson
Ed Sugimoto
Keith Suzuka
Teri Yamashige

President and CEO
Rona Yagi Fukumoto





LATE

**Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB 2112, Relating to the Exemption of Certain Income from the State General
Excise Tax**

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

We are in **strong support** of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

Hawaiian Islands Land Trust is a statewide, local, nonprofit working to protect the lands that sustain us for current and future generations. Since our inception in 2011, we have protected more than 20,000 acres of land for the people of Hawaii on 5 major islands.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations. If this bill is passed, the GET savings we would see would allow us to expand our conservation efforts to proactively respond to development threats on Hawaii's most important natural spaces and vital resources.

Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs. We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,

A handwritten signature in black ink that reads "Angela M. Britten".

Angela M. Britten, CFRE
Director of Development

SB-2112

Submitted on: 2/25/2020 10:33:33 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John A. H. Tomoso	Individual	Support	No

Comments:

02-25-20

RE: SB2112

As a retired 501-C-3 Executive Director, I am in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations, of which I am a member. The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1. I understand that SD1 allows for all net proceeds from these events to be exempted, as long as they are used solely and exclusively for a nonprofits charitable purposes as recognized by the IRS in granting the nonprofit's tax-exempt status.

Mahalo

John A H Tomoso+, MSW

51 Ku'ula St., Kahului, HI 96732-2906

cc: MNPDAADMIN, CLERICUS, CLERGY

SB-2112

Submitted on: 2/25/2020 10:55:03 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Colleen Fox	Individual	Support	No

Comments:

Aloha,

I support SB2112. Non-profits have exempt status for donations because they need the community support for operations to help others. Income generated by fundraising events should be treated the same as donations, which is that no GET is paid by the non-profit. Please support the work of our local non-profits to help our most vulnerable in Hawaii.

Colleen Fox, PhD

Makiki

SB-2112

Submitted on: 2/25/2020 11:14:28 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ann S. Yabusaki	Individual	Support	No

Comments:

Dear Chairman and Members of the Ways and Means Committee:

I support this bill because many nonprofits do provide services that are not provided by any other organization. Fundraising events are key to supporting nonprofit efforts. Exempting the GET from fundraising efforts would help our state.

Thank you for your consideration,

Ann S. Yabusaki, Ph.D., MFT

FASD Action Group Member

SB-2112

Submitted on: 2/25/2020 11:39:30 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chuck Spence	Individual	Support	No

Comments:

RE: SB2112

As a boardmember of several 501-C-3 organizations on Maui, I am in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1. I understand that SD1 allows for all net proceeds from these events to be exempted, as long as they are used solely and exclusively for a nonprofits chartable purposes as recognized by the IRS in granting the nonprofit's tax-exempt status.

SB-2112

Submitted on: 2/25/2020 12:36:29 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Beth Tokioka	Individual	Support	No

Comments:

Aloha Chair DelaCruz and Committee members. As a long-time board member of the Kauai United Way, I am in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1. I support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations. If this bill is passed, the GET savings we would see would allow us to grant more money Kauai United Way's 25 participating agencies, delivering services via 80 programs to more than 30,000 people in need on Kauai. Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs. I strongly urge you to pass this legislation. Thank you for the opportunity to submit this testimony. With much aloha, Beth Tokioka

SB-2112

Submitted on: 2/25/2020 12:44:49 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Erika Vargas	Individual	Support	No

Comments:

Full support. I have worked non-profits all my life and funding is always a challenge.

SB-2112

Submitted on: 2/25/2020 1:27:07 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Rayne	Individual	Support	No

Comments:

SB-2112

Submitted on: 2/25/2020 6:13:33 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Caroline Kunitake	Individual	Support	No

Comments:

Dear Chair Dela Cruz and Members of the Committee on Ways and Means,

I am writing in support of SB2112 SD1.

- Income generated by fundraising events should be treated the same as donations. If someone gives a \$1000 donation to a nonprofit, NO GET is paid. But if that same donor gives \$1000 for a fundraiser dinner, the nonprofit has to pay \$104 in GET.
- The GET paid on fundraising events takes away funds that would be spent on the nonprofit's mission, and the GET savings that would result from this bill would go towards these missions.
- Nonprofits should be encouraged to generate income from fundraising events but the GET disincentivizes them to do so.

I believe that our non profits in Hawaii do not need disincentives for fundraising. If we need more revenue, I believe that our state can identify other taxes and services that can be charged. We do not need to limit our non profits through a GET fundraising tax.

Mahalo,

Caroline Kunitake

Testimony to the Senate Committee on Ways and Means
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Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
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Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I am in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

I serve on the boards of several community non-profit organizations in Hawaii which support education, health, arts, community safety and well-being, and economic activity. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to increase support and services and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an immediate impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,



Michael H. Lau

Testimony to the Senate Committee on Ways and Means

Senator Donovan Dela Cruz, Chair

Senator Gilbert Keith-Agaran, Vice Chair

Thursday, February 27, 2020, 2:20 p.m.; Room 211

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

As a board member of the Tri-Agency group of Aloha House, Malama Family Recovery Center, and Maui Youth and Family services, I am in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1. Our Tri-Agency group would greatly benefit from the passage of this bill, as we work to provide much-needed prevention and treatment services for substance use/abuse and mental health issues for the youth, adults, and mothers and children served by our programs. The elimination of GET on our fundraising events would allow for more funds to provide these services.

Maui Youth and Family Services provides a comprehensive continuum of programs and services including mental health and substance abuse treatment, emergency shelter and therapeutic foster homes, outreach and advocacy, independent living, prevention programs, and it is Maui's only non-restricted emergency shelter for youth. The organization serves approximately 2,500 youth per year.

Aloha House is the only non-profit provider of the following services on Maui: Residential substance abuse, crisis mental health and detox services, Separate Therapeutic Living Programs for Men and Women, In-Jail Treatment programs, Drug Court Treatment Program, and extensive mental health treatment services. The organization serves over 5,000 people per year with these programs.

Malama Family Recover Center provides caring, holistic substance abuse treatment to women and children so families can live safe, independent and healthy lives. It is Maui's only women-specific addiction and substance abuse treatment center, and the only place on the island where young children and infants can live with their mothers while they get help in therapeutic and sober living environments. The organization serves approximately 160 clients per year.

Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs. I support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Sincerely,

Jerry Welch DDS

VP Aloha House, Maui Youth and Malama

Jean Tsukamoto
1033 Maunanani Street
Honolulu, HI 96825

Testimony to the Senate Committee on Ways and Means

Senator Donovan Dela Cruz, Chair

Senator Gilbert Keith-Agaran, Vice Chair

Thursday, February 27, 2020, 2:20 pm; Room 211

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I am in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

I serve on the boards of Hawaii Youth Symphony, Aloha Council of Boy Scouts of America, and Malama Maunalua. While all three organizations have very mission statements, they serve the Hawaii community in promoting musical education, youth development, and environmental protection.

I support the passage of the bill that would relieve these organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding their missions.

Unlike solicitation of donations from supporters, fundraising events serve the important purpose of 'Fundraising'. The impact of fundraising events in broadening the exposure of a nonprofit's mission to the community cannot be underestimated. These events are all unique opportunities for nonprofits to 'tell their stories'. The lasting impact of fundraising events is immeasurably superior to typical appeal for monetary donations.

If this bill is passed, the savings generated would allow all three nonprofits which I serve to further their mission in the most efficient and effect manner.

Every dollar that these three nonprofits will save from the GET exemption is an additional dollar that can go towards the constituents that they serve.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,

Jean Tsukamoto

Board member, Hawaii Youth Symphony; VP Marketing/Development, Aloha Council Boy Scouts of America; Treasurer, Malama Maunalua

Testimony to the Senate Committee on Ways and Means
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I serve on the boards of several community non-profit organizations in Hawaii which support education, health, financial, well-being, and economic activity. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to **increase support and services** and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an **immediate** impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,
Judy Chock
Ernst & Young LLP

SB-2112

Submitted on: 2/25/2020 8:36:26 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Chipper Wichman	Individual	Support	No

Comments:

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

We are in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

The National Tropical Botanical Garden is headquartered on Kauai and as a 501(c)3 nonprofit organization four gardens and five preserves in Hawaii and 130 employees we depend on every dollar of support we can secure.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations. If this bill is passed, the GET savings we would see would allow us save more native Hawaiian plants and bring more school children to our gardens.

Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs. We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo nui,

Chipper Wichman, President

National Tropical Botanical Garden

Testimony to the Senate Committee on Ways and Means
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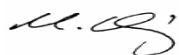
I serve on the boards of several community non-profit organizations in Hawaii which support education, health, arts, community safety and well-being, and economic activity. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to **increase support and services** and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an **immediate** impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,



Mike Ching

chingmi@hawaii.rr.com

(808) 927-1552

SB-2112

Submitted on: 2/26/2020 9:14:59 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jessica Munoz	Testifying for Ho'ola Na Pua	Support	No

Comments:

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

We are in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

Ho'ola Na Pua is a nonprofit committed to the prevention of sex trafficking and providing care for children who have been exploited. While we gather support from grants, individual donations, and fees, fundraising activities are a major part of how our organization provides awareness about our mission to our community and allow us to reach new audiences.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations.

If this bill is passed, the GET savings we would see would allow us to expand our services to reach more keiki in need across the state.

Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,

Jessica Munoz

President, Ho'ola Na Pua

SB-2112

Submitted on: 2/26/2020 9:36:16 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Georgette Stevens	Individual	Support	No

Comments:

Aloha chair Dela Cruz, Vice Chair Keith-Agaran and members of WAM,

I strongly support SB 2112 and the SD1 version proposed by HANO. This bill would relieve the many non profit organizations in Hawaii from having to pay general excise tax on our fundraising income, which is critical to funding our charitable operations.

Please pass this legislation.

Mahalo,

Georgette Stevens

SB-2112

Submitted on: 2/26/2020 9:47:29 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
elizabeth rice grossman	Individual	Support	No

Comments:

I am in **strong support** of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1. I sit on the Boards of several non-profits that provide necessary services in our community. The SD1 version would exempt them from the GET which allows more monies for services. I strongly urge you to pass this legislation.

Respectfully,

Elizabeth Rice Grossman

Kailua, HI

SB-2112

Submitted on: 2/26/2020 10:16:35 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Wendy Ann Kuwahara	Individual	Support	No

Comments:

I work with many non-profits as their outside accountant and see how hard they work to provide much needed services to the community. The funds they raise to support these services should not be subject to general excise tax. Every dollar these non-profits pay on their fund-raising income is a dollar less for their missions. I support SB 2112

Thank you for allowing me to submit testimony

SB-2112

Submitted on: 2/26/2020 10:53:50 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Eric Ako DVM	Individual	Support	No

Comments:

Non profits do good work and need every penny earned by fundraising!

SB-2112

Submitted on: 2/26/2020 11:18:55 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Karri Villanueva	Individual	Support	No

Comments:

SB-2112

Submitted on: 2/26/2020 1:43:29 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Sakamoto	Individual	Support	No

Comments:

Please support this bill. I support many nonprofit organizations from churches to schools to kupuna care to scouting whose fundraising activities all support their mission all for the benefit of our community to make our Hawaii a better place to live. Further relying on volunteers to help raise the funds to further their mission. So every penny matters and the state of Hawaii can support these worthy causes by allowing an exemption from the GET taxes.

thank you for your consideration!

Testimony to the Senate Committee on Ways and Means
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I serve several community non-profit organizations in Hawaii which support education, health, arts, community safety and well-being, and economic activity. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to increase support and services and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an **immediate** impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,



Mitchell Taira, Senior Manager Ernst & Young, LLP

Walter Vorfeld & Associates
CONSULTING STRUCTURAL ENGINEERS

Testimony to the Senate Committee on Ways and Means
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I serve or have served on the boards of several community non-profit organizations in Hawaii which support education, health, arts, community safety and well-being, and economic activity. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to increase support and services and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an immediate impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,

Ellen V. Loucks
Manager, Walter Vorfeld & Associates
VP Maui, Executive Board, Aloha Council Boy Scouts of America

10 Ulana Street
Makawao, Maui, HI 96768
(808)572-3535
Fax (808)572-3616

Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
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I serve on the boards of several community non-profit organizations in Hawaii which support education, health, arts, community safety and well-being, and economic activity. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to **increase support and services** and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an **immediate** impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,

Ross R. Murakami, CPA
Community Supporter

Testimony to the Senate Committee on Ways and Means
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I serve on the board of a community non-profit organizations in Hawaii which supports education. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to **increase support and services** and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an **immediate** impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,



Nathan Lee
Managing Director

Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

February 26, 2020

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I am in **strong support** of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

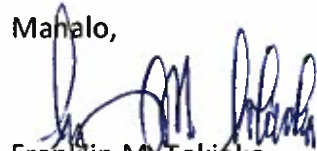
I serve on the boards of several community non-profit organizations in Hawaii which support education, health, arts, community safety and well-being, and economic activity. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to **increase support and services** and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an **immediate** impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Maalo,



Franklin M. Tokioka
Chairman Emeritus
Island Holdings, Inc.

Cronin, Fried, Sekiya, Kekina & Fairbanks
Attorneys at Law, A Law Corporation

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February 26, 2020

**Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax**

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I am in **strong support** of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

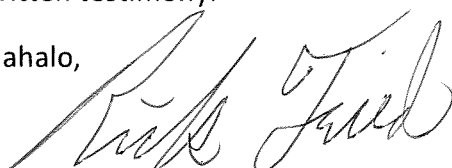
I serve on the boards of several community non-profit organizations in Hawaii which support education, health, arts, community safety and well-being, and economic activity. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to **increase support and services** and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an **immediate** impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,



L. Richard Fried, Jr.

Testimony to the Senate Committee on Ways and Means

Senator Donovan Dela Cruz, Chair

Senator Gilbert Keith-Agaran, Vice Chair

Thursday, February 27, 2020, 2:20 p.m.; Room 211

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I strongly support the passage of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

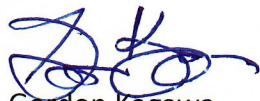
I have served on many community non-profit boards and currently serve on the boards of two community non-profit organizations in Hawaii which support education, health, arts, community safety and well-being, and economic activity. This bill would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving our communities in Hawaii.

By passing this bill, the GET savings would allow these non-profits to continue their mission and increase support and services along with increasing the positive impact that they make in Hawaii. I trust that you would agree that Hawaii is very reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an immediate impact on the ability of these non-profits to better serve our communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,



Gordon Kagawa

President and CEO

Occidental Underwriters of Hawaii, Ltd.

LATE

TO: Chair Senator Donovan Dela Cruz and Vice Chair Senator Gilbert Keith-Agaran of the Senate Committee on Ways and Means
FROM: Viola E. Genadio
SUBJECT: SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax
DATE: February 27, 2020

Chair Dela Cruz, Vice Chair Keith-Agaran, and honorable members:

Please accept this testimony in support of SB 2112, SD1 proposed by the Hawaii Alliance of Nonprofit Organizations. This bill will exempt IRS 501(c)(3) tax-exempt organizations from the General Excise and Use Tax (GET) on income from fund-raising events.

Such income helps fund charitable operations for communities throughout Hawaii. Removal of the GET will add funds to services provided by those (non-profit) organizations that cover areas not reached by government and private organizations. It will have an immediate and positive impact.

Mahalo and Aloha.

Viola E. Genadio, APRN, CDCES, BC-ADM
92-1370 Kikaha Street
Kapolei, HI 96707
(808) 672-9170

Laurie K.S. Tom, M.D.

Endocrinology, Diabetes, & Metabolism

LATE

**Testimony to the Senate Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211
SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax**

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

Thank you for the opportunity to submit written testimony I am in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

I serve on the boards of several community non-profit organizations in Hawaii which support education, health, arts, community safety and well-being, and economic activity. I support the passage of this bill that would relieve our non-profit organizations from having to pay general excise tax on fundraising income, which is of vital importance to funding our charitable operations; which in turn, is vital to serving the communities in Hawaii.

If this bill is passed, the GET savings would allow these non-profits to increase support and services and increase the positive impact that they have in Hawaii. I trust that you would not disagree that Hawaii is so reliant on non-profits to assist in filling the gaps in serving the community in areas that private organizations and government just cannot reach. The passage of this bill will have an immediate impact on the ability of these non-profits to serve the communities in Hawaii.

Every dollar that non-profit organizations must pay in general excise taxes is a dollar less that is available to devote to tax exempt, charitable mission and programs.

I strongly urge you to pass this legislation.

Mahalo,



Laurie K.S. Tom, M.D.



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for Humanity®
Hawai'i Island



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www.habitathawaiiisland.org

Testimony to the Senate Committee on Ways and Means

**Senator Donovan Dela Cruz, Chair Senator Gilbert Keith-Agaran, Vice Chair
Thursday, February 27, 2020, 2:20 p.m.; Room 211 SB 2112,
Relating to the Exemption of Certain Income from the State General Excise Tax**

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means:

I am writing in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

Habitat for Humanity Hawaii Island is a local organization under the Habitat for Humanity International umbrella mission and policies; but everything our organization does is at the grass roots level here on Hawaii Island. Cost of housing in the Hawaiian Islands, as I'm sure all are painfully aware, makes home ownership exceedingly difficult for a rather large percentage of those who live here. Our organization serves a unique section of the population that need help securing basic, safe, secure housing. To provide this opportunity to individuals and families to help alleviate the affordable housing problem, we have to secure funding by our own means—we are not given funding through our international organization. We are constantly striving to put every dollar we receive to use in helping deserving families on the Big Island realize their dream of owning a home of their own.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations. If this bill is passed, the GET savings we would see would stretch our efforts even further by trying to help even more families with home ownership or critical repairs to their existing dwelling. Every dollar our organization must pay in general excise taxes takes away from creating a space where all in the family have a better opportunity to thrive. Moreover, when that happens, the families have a better ability to add to the state's revenue base through increased ability to purchase other goods and services. Therefore, we strongly encourage you to pass this legislation.

Thank you for the opportunity to submit this written testimony.

Mahalo,

Chris Marlett Patulski

Chris Marlett Patulski
Finance Manager



Community Partner

SB-2112

Submitted on: 2/26/2020 6:47:10 PM

Testimony for WAM on 2/27/2020 2:20:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Pablo Wegesend	Individual	Support	No

Comments:

Please vote for SB2112, which exempts non profit organizations from paying the General Excise Tax (GET).

Here are some reasons for my stance

- Income generated by fundraising events should be treated the same as donations. If someone gives a \$1000 donation to a nonprofit, NO GET is paid. But if that same donor gives \$1000 for a fundraiser dinner, the nonprofit has to pay \$104 in GET.
- The GET paid on fundraising events takes away funds that would be spent on the nonprofit's mission, and the GET savings that would result from this bill would go towards these missions.
- Nonprofits should be encouraged to generate income from fundraising events but the GET disincentivizes them to do so.
- Because nonprofits pay GET on the gross income of fundraising events, they are taxed twice: once when the goods and services are bought for the event and then again on the income received for the event.

Every dollar nonprofits must pay in general excise taxes is a dollar less that can be devoted to their charitable mission and programs.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,

Pablo Wegesend

West Hawaii Parks & Athletic Corporation

74-5146 Haleolono Place
Kailua- Kona, HI 96745



email...bokahui65@gmail.com
Phone.....808-896-2252

Testimony to the Senate Committee on Ways and Means

Senator Donovan Dela Cruz, Chair

Senator Gilbert Keith-Agaran, Vice Chair

Thursday, February 27, 2020, 2:20 p.m.; Room 211

SB 2112, Relating to the Exemption of Certain Income from the State General Excise Tax

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee on Ways and Means Committee

We are in strong support of SB 2112 and the SD1 version proposed by HANO (Hawaii Alliance of Nonprofit Organizations). The proposed SD1 would exempt IRS 501(c)(3) tax-exempt organizations from paying general excise tax (GET) on income generated from fundraising events, as defined in the proposed SD1.

West Hawaii Parks and Athletic Corporation is a federally designated 501C-3 non-profit corporation.

We support the passage of this bill that would relieve our organization from having to pay general excise tax on our fundraising income, which is of vital importance to funding our charitable operations.

If this bill is passed, the GET savings would allow us to increase our income stream to meet our projected operating expenses. Every dollar our organization must pay in general excise taxes is a dollar less that we can devote to our tax exempt, charitable mission and programs.

We strongly urge you to pass this legislation. Thank you for the opportunity to submit this written testimony.

Mahalo,
Craig "Bo" Kahui
President

CC: WHIPAC Board

SB-2112

Submitted on: 2/26/2020 8:14:33 PM

Testimony for WAM on 2/27/2020 2:20:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
James S. Williston	Individual	Support	No

Comments:

I am the Treasurer of the William S. Richardson School of Law Alumni Association, but am testifying as an individual since our Board was not aware of Bill 2112 in time to call a meeting.

Basically, our Assosiation holds two events per year. The principal cost (90%) of the events is that of paying for a venue and food. Although the food and venue vendors (a ballroom and a restaurant) pay the GET on the money they receive from the Association for the event, we have to pay the GET on basically the same money because we act as a pass-through for the costs of the event. The GET basically eats up any profit we make from the events, which go to student scholarships and costs of running a charitable organization.

Please give favorable consideration to SB 2112

James ("Jim") Williston

SB-2112

Submitted on: 2/26/2020 9:12:37 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Julie Ziemelis	Testifying for Habitat for Humanity Hawaii Island	Support	No

Comments:

Aloha:

I volunteer as a Board of Director member for Habitat for Humanity Hawaii Island and I also am the lead volunteer for our fundraising efforts, which are currently subjected to GET Tax. Overall, as an organization Habitat averages about \$48,000 annually paid in GET taxes if the ReStores, are included, which is about 1/3 of the construction cost of a home.

Our ability to help people build homes and support the societal structure of our island can not be underestimated. We are raising approximately \$30,000 at our annual fundraising gala. If we could put those funds towards helping a family turn a key on the front door of a new home, we think it could have a positive impact on the entire island. Please support this bill.

LATE

SB-2112

Submitted on: 2/26/2020 9:14:23 PM

Testimony for WAM on 2/27/2020 2:20:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jessica Histo	Testifying for Hawaii Diaper Bank	Support	No

Comments:

Aloha,

My name is Jessica Histo and I am the founder and president of the Hawaii Diaper Bank, the states first organization committed to the collection and distribution of diapers, wipes and other basic essentials for families in need. We are a fiscally sponsored program of the Hawaii Children's Action Network.

SB 2112 would be a step in the right direction for local non-profits such as ourselves to make the most of our fundraising efforts. Please consider the positive impact you could have on our islands by supporting SB2112 and allowing those on the ground the means to do more with the (sometimes) limited resources that we have.

Sincerely,

Jessica Histo

SB-2112

Submitted on: 2/27/2020 6:38:16 AM

Testimony for WAM on 2/27/2020 2:20:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Ann Marie Muramoto	Testifying for Habitat for Humanity Hawaii Island	Support	No

Comments:

Aloha, imposing GE tax on a not for profit is going to make doing a difficult job even harder. Most not for profits are a safety net for our community, doing work that the government is unable to do for its citizens. Affordable housing would appear to fall under government purvey, yet the need exists for organizations such as Habitat for Humanity. The organization helps people become self reliant home owners, relieving local government of the burden of subsidizing their housing. To tax this process of providing self sufficiency will impede the ability of the organization to help more citizens. I, therefore, strongly oppose a GE Tax in this situation. Dr. AnnMarie Muramoto
Secretary Habitat for Humanity Hawaii Island

SB-2112

Submitted on: 2/27/2020 8:19:42 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Hobbs Lowson	Individual	Support	No

Comments:

- Income generated by fundraising events and activities should be treated the same as donations.
- The GET paid on fundraising events takes away funds that would be spent on the nonprofit's mission, and the GET savings that would result from this bill would go towards these missions.
- Nonprofits should be encouraged to generate income from fundraising events and activities but the GET disincentivizes them to do so.
- Because nonprofits pay GET on the gross income of fundraising events and activities, they are taxed twice: once when the goods and services are bought for the event or activity and then again on the income received for the event or activity.

SB-2112

Submitted on: 2/27/2020 10:04:46 AM

Testimony for WAM on 2/27/2020 2:20:00 PM

LATE

Submitted By	Organization	Testifier Position	Present at Hearing
Juanita Kawamoto Brown	Individual	Support	Yes

Comments:

February 27, 2020

Aloha Honorable WAM committee Chair Donovan Dela Cruz and Vice Chair Gilbert Keith-Agaran and esteemed members,

My name is Juanita Brown Kawamoto and I am in strong support of SB 2112.

I sit on various non profit boards and committees where fund-raising and benevolent donations are what mostly sustain the good works these organizations provide for our communities through out Hawai'i nei. Every penny counts and moving this kind of legislation forward will provide the greater good many opportunities to build a better and stronger Hawai'i.

Please pass this bill.

Mahalo Nui loa for the opportunity to testify.