
HOUSE CONCURRENT RESOLUTION

URGING THE LEGISLATURE TO LIFT THE CEILING ON TRANSIENT
ACCOMMODATIONS TAX REVENUES DISTRIBUTED TO THE COUNTIES.

1 WHEREAS, transient accommodations tax revenues are
2 collected by the State based on the gross rental receipts of
3 lodging suppliers in the State; and
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5 WHEREAS, revenues from the transient accommodations tax
6 thus increase or decrease based on the cyclical nature of the
7 visitor industry; and
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9 WHEREAS, counties expend transient accommodations tax
10 revenues for general government purposes that benefit visitors
11 and residents alike, including essential services such as police
12 and fire protection and management of public spaces like beaches
13 and parks; and
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15 WHEREAS, statutory provisions authorizing the transient
16 accommodations tax and allocating its revenues have been amended
17 frequently to meet perceived government needs and desired public
18 purposes; and
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20 WHEREAS, these numerous amendments have created an
21 instability among various stakeholders, including the State, the
22 counties, the visitor industry, the Hawaii Tourism Authority,
23 and other recipients or potential recipients of transient
24 accommodations tax revenues; and
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26 WHEREAS, pursuant to section 237D-6.5(b)(4), Hawaii Revised
27 Statutes, \$103,000,000 of revenues generated from the transient
28 accommodations tax in the State are distributed to each of the
29 counties as follows: 14.5 percent to Kauai County; 18.6 percent
30 to Hawaii County; 22.8 percent to Maui County; and 44.1 percent
31 to the City and County of Honolulu; and



H.C.R. NO. 109

1 WHEREAS, eliminating the fixed dollar amount that caps the
2 total transient accommodations tax revenue distributed to the
3 counties would allow the counties to receive a proportional
4 allocation that increases or decreases as does the actual
5 revenue collected; and

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7 WHEREAS, eliminating this cap would create a fairer, more
8 balanced, and reasonable compromise between competing interests
9 for scarce resources; now, therefore,

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11 BE IT RESOLVED by the House of Representatives of the
12 Thirty-first Legislature of the State of Hawaii, Regular Session
13 of 2021, the Senate concurring, that this body is urged to lift
14 the ceiling on transient accommodations tax revenues distributed
15 to the counties; and

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17 BE IT FURTHER RESOLVED that certified copies of this
18 Concurrent Resolution be transmitted to the Governor; President
19 of the Senate; Speaker of the House of Representatives; and
20 Mayors of the Counties of Kauai, Hawaii, and Maui, and the City
21 and County of Honolulu.

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24 OFFERED BY:



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