

STAND. COM. REP. NO.

340

Honolulu, Hawaii

FEB 17 , 2021

RE: H.B. No. 1047,  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred H.B. No. 1047 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require that general excise tax licenses be renewed biennially; and
- (2) Authorize the Department of Taxation to charge a fee for biennial renewals and require biennial renewals to be applied for electronically.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that many taxpayers who no longer need a general excise tax license fail to cancel their business licenses, which leads to the Department of Taxation's records being filled with defunct licenses. This measure ensures more accurate and relevant records are kept and increases taxpayer compliance.

Your Committee has amended this measure by:

2021-1564 HB1047 HD1 HSCR HMSO



- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1047, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1047, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development,



---

SEAN QUINLAN, Chair



