

Honolulu, Hawaii

FEB 03, 2022

RE: H.B. No. 1839
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Labor & Tourism, to which was referred H.B. No. 1839 entitled:

"A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS TAX,"

begs leave to report as follows:

The purpose of this measure is to make camper vans a type of transient accommodation, the rental of which is subject to the transient accommodations tax.

Your Committee received testimony in support of this measure from the Chair of the Maui County Council. Your Committee received testimony in opposition to this measure from the Hawaii Lodging and Tourism Association. Your Committee received comments on this measure from the Department of Taxation, Hawaii Tourism Authority, Tax Foundation of Hawaii, and Maui Hotel and Lodging Association.

Your Committee finds that businesses and private individuals are increasingly renting camper vans to visitors that essentially function as transient accommodations in lieu of hotel rooms or transient vacation rentals. Your Committee notes concerns raised as to whether camper vans should be taxed as an accommodation, but as the counties do not have anything in place to address this, your Committee believes it is important to get ahead of this issue to avoid the same problems caused by short term vacation rentals.



Your Committee has amended this measure by:

- (1) Amending the definition of "gross rental" or "gross rental proceeds" as it relates to the transient accommodations tax to exclude amounts collected as rental vehicle surcharge taxes;
- (2) Changing the effective date to January 1, 2023, to allow the Department of Taxation time to make the necessary changes to its forms and system; and
- (3) 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 Labor & Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1839, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1839, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Tourism,


RICHARD H.K. ONISHI, Chair



Record of Votes of the Committee on Labor & Tourism

Bill/Resolution No.: <i>HB 1839</i>	Committee Referral: <i>CPC</i> <i>LAT, HR, FIN.</i>	Date: <i>02/01/2022</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
LAT Members	Ayes	Ayes (WR)	Nays	Excused
1. ONISHI, Richard H.K. (C)	/			
2. SAYAMA, Jackson D. (VC)	/			
3. BELATTI, Della Au	/			
4. HOLT, Daniel	/			
5. KOBAYASHI, Dale T.	/			
6. QUINLAN, Sean		/		
7. TAKAYAMA, Gregg	/			
8. OKIMOTO, Val		/		
TOTAL (8)	6	2		
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <i>John Sayer</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				