

Honolulu, Hawaii

MAR 22 , 2022

RE: S.B. No. 2303

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

Sir:

Your Committee on Economic Development, to which was referred S.B. No. 2303 entitled:

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

begs leave to report as follows:

The purpose of this measure is to authorize the Director of Taxation to exempt a taxpayer whose annual general excise tax liability does not exceed \$100 from monthly, quarterly, or semiannual general excise tax filing requirements if the taxpayer files an annual return.

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

Your Committee finds that existing law requires all taxpayers to file periodic general excise tax returns on a monthly, quarterly, or semiannual basis depending on the total general excise tax liability each year. Your Committee further finds that any taxpayer who has a general excise tax liability as little as \$100 is still burdened with filing a semiannual return. This measure alleviates that burden by exempting a taxpayer whose tax liability does not exceed \$100 from this requirement, as long as the taxpayer files an annual return.



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 S.B. No. 2303 and recommends that it pass Second Reading and be referred to your Committee on Finance.

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

  
\_\_\_\_\_  
SEAN QUINLAN, Chair



