

STAND. COM. REP. NO.

2823

Honolulu, Hawaii

MAR - 3 2022

RE: S.B. No. 2303

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Ways and Means, 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 and intent of this measure is to amend the state general excise tax filing requirements for certain taxpayers.

More specifically, this measure authorizes the Director of Taxation to exempt from monthly, quarterly, or semiannual general excise tax filing requirements a taxpayer whose annual general excise tax liability does not exceed \$100; provided that the taxpayer files an annual return.

Your Committee received testimony in support of this measure from the Department of Taxation and one individual.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that, under current state law, periodic returns are required semiannually for taxpayers reporting less than \$2,000 in annual general excise tax liability; quarterly for taxpayers reporting more than \$2,000 and less than \$4,000; and monthly for taxpayers reporting more than \$4,000. Your Committee believes that this measure may ease the burden both for taxpayers,



who must file periodic returns, and the Department of Taxation, which must process the returns.

As affirmed by the record of votes of the members of your Committee on Ways and Means 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 placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



