STAND. COM. REP. NO. 192-22

Honolulu, Hawaii MAR 2 2 , 2022 RE: S.B. No. 2376 S.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 Economic Development, to which was referred S.B. No. 2376, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TOBACCO TAXES,"

begs leave to report as follows:

The purpose of this measure is to:

- Repeal the deferred payment purchase option for cigarette tax stamps; and
- (2) Require licensees to pay for cigarette tax stamps at the time of purchase using cash, certified check, or bank transfer.

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 existing law authorizes deferred payment purchases for cigarette stamp fees. However, your Committee finds that deferred payment purchase of cigarette stamps is no longer necessary and that having the taxpayer pay upon purchase is the most efficient way to administer the cigarette stamps program.



STAND. COM. REP. NO. 192-22 Page 2

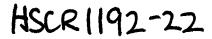
As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2376, S.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Finance.

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

SEAN QUINLAN, Chair



State of Hawaii House of Representatives The Thirty-first Legislature



## **Record of Votes of the Committee on Economic Development**

Bill/Resolution No.: SB 2376 SD	Committee Referral: ECD, FIN		Date:	Date: 3/16/22		
□ The committee is reconsidering its previous decision on the measure.						
The recommendation is to:    Pass, unamended (as is)    Pass, with amendments (HD)    Hold      Pass short form bill with HD to recommit for future public hearing (recommit)						
ECD Members		Ayes	Ayes (WR)	Nays	Excused	
1. QUINLAN, Sean (C)						
2. HOLT, Daniel (VC)		/				
3. BELATTI, Della Au	~	/		a tracta a constante		
4 KORAVASUL Dala T		/				
4. KOBAYASHI, Dale T.						
5. ONISHI, Richard H.K.		/	n mende a construction of sheet Man	time entrement and an template tel tradicional		
6. SAYAMA, Jackson D.	· ~	/				
7. TAKAYAMA, Gregg		J			/	
	a T	<u></u>		the second s	<u></u>	
8. OKIMOTO, Val						
TOTAL (8)		7	0	$\circ$	1	
The recommendation is:  Adopted  Not Adopted    If joint referral,						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						