

STAND. COM. REP. NO. 2925

Honolulu, Hawaii

MAR 04 2022

RE: S.B. No. 2475
S.D. 2

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. 2475, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify that amounts received or accrued for stevedoring services, wharfage, and demurrage services are exempt under the general excise tax law.

Your Committee received written comments in support of this measure from PASHA Hawaii.

Your Committee received written comments on this measure from the Department of Budget and Finance; Department of Taxation; Matson Navigation Company, Inc.; and Tax Foundation of Hawaii.

Your Committee finds that, according to the Department of Taxation, amounts received for the loading and unloading of cargo, including stevedoring services, are already exempt from the general excise tax.

Your Committee has amended this measure by:

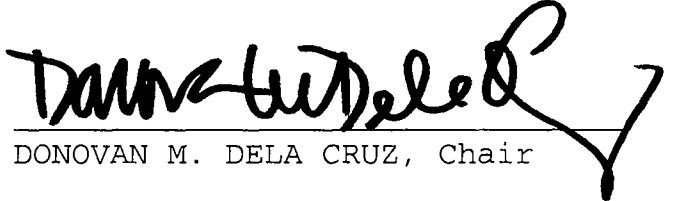
- (1) Removing amendments regarding stevedoring services; and



- (2) Clarifying that amounts received for the transportation or storage of cargo are not exempt under the general excise tax law.

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. 2475, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2475, S.D. 2.

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


DONOVAN M. DELA CRUZ, Chair



