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# A BILL FOR AN ACT

RELATING TO THE LIQUOR TAX LAW.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Chapter 321, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§321-           Substance abuse treatment special fund. (a)

5 There is established within the state treasury a special fund to  
6 be known as the substance abuse treatment special fund, to be  
7 administered and expended by the department of health. The fund  
8 shall consist of:

9           (1) Moneys appropriated by the legislature;

10           (2) Liquor tax revenues designated under section 244D-17;

11           (3) Grants, donations, and contributions from private or  
12 public sources; and

13           (4) Interest earned or accrued on moneys in the special  
14 fund.

15           (b) Moneys in the special fund shall be used to support  
16 substance abuse treatment programs in the State.



1        (c) No later than twenty days prior to the convening of  
 2 each regular session, the department shall submit to the  
 3 legislature an annual report that outlines the receipts of and  
 4 expenditures from the substance abuse treatment special fund."

5        SECTION 2. Section 244D-4, Hawaii Revised Statutes, is  
 6 amended by amending subsection (a) to read as follows:

7        "(a) Every person who sells or uses any liquor in the  
 8 State not taxable under this chapter, in respect of the  
 9 transaction by which the person or the person's vendor acquired  
 10 the liquor, shall pay a gallonage tax that is hereby imposed at  
 11 the following rates for the various liquor categories defined in  
 12 section 244D-1:

13        On July 1, [~~1998~~] 2024, and thereafter, the tax rate shall  
 14 be:

15        (1) [~~\$5.98~~] \$ \_\_\_\_\_ per wine gallon on distilled  
 16 spirits;

17        (2) [~~\$2.12~~] \$ \_\_\_\_\_ per wine gallon on sparkling wine;

18        (3) [~~\$1.38~~] \$ \_\_\_\_\_ per wine gallon on still wine;

19        (4) [~~\$0.85~~] \$ \_\_\_\_\_ per wine gallon on cooler  
 20 beverages;

21        (5) [~~\$0.93~~] \$ \_\_\_\_\_ per wine gallon on beer other than  
 22 draft beer; and



1 (6) [~~\$0.54~~] \$ \_\_\_\_\_ per wine gallon on draft beer;  
2 and at a proportionate rate for any other quantity so sold or  
3 used."

4 SECTION 3. Section 244D-17, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 "~~[+]§244D-17[+]~~ Disposition of revenues. (a) All moneys  
7 collected pursuant to this chapter shall be paid into the state  
8 treasury as state realizations, to be kept and accounted for as  
9 provided by law.

10 (b) Notwithstanding subsection (a), beginning on July 1,  
11 2024, the additional revenues generated and collected from the  
12 increase in liquor tax rates imposed by section 2 of Act \_\_\_\_\_,  
13 Session Laws of Hawaii 2024, shall be deposited into the  
14 substance abuse treatment special fund under section 321-\_\_\_\_\_."

15 SECTION 4. Statutory material to be repealed is bracketed  
16 and stricken. New statutory material is underscored.

17 SECTION 5. This Act shall take effect on July 1, 2024.

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INTRODUCED BY: \_\_\_\_\_

JAN 23 2024



# H.B. NO. 2624

**Report Title:**

Liquor Tax Law; Rates; Substance Abuse Treatment

**Description:**

Establishes a substance abuse treatment special fund. Increases liquor tax rates to unspecified amounts. Allocates increased liquor tax revenues to the substance abuse treatment special fund.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

