



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kāla
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
HOUSE BILL NO. 2781

February 27, 2024
10:00 a.m.
Room 308 and Videoconference

RELATING TO TAXATION

The Department of Budget and Finance (B&F) opposes this bill.

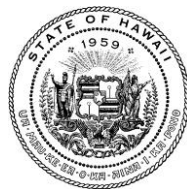
House Bill No. 2781 establishes a surcharge on general excise and use taxes beginning January 1, 2031.

Given that the county surcharge on State tax originally established by Act 247, SLH 2005, is not scheduled to be repealed until December 31, 2030, B&F does not see the need to establish a successor surcharge on general excise and use taxes at this time.

Thank you for your consideration of our comments.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau
P.O. BOX 259

HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 2781, Relating to Taxation.

BEFORE THE:

House Committee on Finance

DATE: Tuesday, February 27, 2024

TIME: 10:00 a.m.

LOCATION: State Capitol, Room 308

Chair Yamashita, Vice-Chair Kitagawa, and Members of the Committee:

The Department of Taxation ("Department") offers the following comments regarding H.B. 2781 for your consideration.

H.B. 2781 seeks to establish a successor surcharge on the general excise and use taxes upon the repeal of the existing county surcharge scheduled for December 31, 2030. The bill intends the new surcharge funds to fund statewide universal preschool; provide supplemental funding to the department of education for K-12 purposes, and fund social services in the State.

Section 2 amends section 237-8.6, Hawaii Revised Statutes (HRS), to remove the designation of "county surcharge" from the statute, including the complete deletion of subsection (b), resulting in a general surcharge on all general excise taxes imposed under chapter 237. The bill maintains the current 0.5 percent rate for the general excise tax surcharge.

Similarly, section 3 amends section 238-2.6, HRS, to remove the designation of "county surcharge" from the statute, including the complete deletion of subsection (b), resulting in a general surcharge on all use taxes imposed under chapter 238. This section also maintains the current 0.5 percent rate for the use tax surcharge.

Finally, section 4 of the bill amends section 9, subsection (3)(B), of Act 1, First Special Session Laws of Hawaii 2017, to maintain the repeal of county surcharges on December 31, 2030.

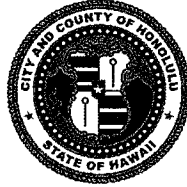
This bill is effective on January 1, 2031. If passed, the Department would have six years to make necessary changes to its forms, instructions, and systems in order to administer the new surcharge.

Thank you for the opportunity to provide comments on this measure.

**OFFICE OF THE MAYOR
KE KE'ENA O KA MEIA
CITY AND COUNTY OF HONOLULU**

530 SOUTH KING STREET, ROOM 300 • HONOLULU, HAWAII 96813
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RICK BLANGIARDI
MAYOR
MEIA



MICHAEL D. FORMBY
MANAGING DIRECTOR
PO'O HO'OKELE

KRISHNA F. JAYARAM
DEPUTY MANAGING DIRECTOR
HOPE PO'O HO'OKELE

February 26, 2024

The Honorable Kyle T. Yamashita, Chair
The Honorable Lisa Kitagawa, Vice Chair
and Members of the Committee on Finance
Hawaii State House of Representatives
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Subject: HB 2781, Relating to Taxation

The City and County of Honolulu (City) respectfully offers comments regarding HB 2781.

HB 2781 would affirm the sunset of the county surcharge on the general excise tax, established by Act 247, Session Laws of Hawaii 2005 (Act 247), and replace the county surcharge with a state surcharge for the purposes of a universal preschool, supplemental funding for the Department of Education and social services in the state.

We appreciate the opportunity afforded the City to meet and discuss our concerns with HB 2781. At this time, the City is committed to restoring critical federal funding associated with the approval and signing of the amended Full Funding Grant Agreement (FFGA) and intends to focus on future extensions to U.H. Manoa and Kapolei Center in the near future, critical phases aimed at maximizing utility and ridership of the multimodal system. As such, we respectfully request this bill be revisited in the future, at a time when the City can work with the state on future funding scenarios for the extension of the rail system.

Thank you for the opportunity to testify on this measure, please do not hesitate to contact the undersigned if you have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael D. Formby".

Michael D. Formby
Managing Director



Mitchell D. Roth
Mayor

Deanna S. Sako
Managing Director

Robert H. Command
Deputy Managing Director

County of Hawai'i
Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553
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February 26, 2024

Committee on Finance
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chair

Hawai'i State Legislature
415 S. Beretania Street
Honolulu, Hawai'i 96813

Subject: H.B. 2781 RELATING TO TAXATION
Hearing Date: Wednesday, February 27, 2024, at 10:00 a.m.
Time/Place of Hearing: Via Videoconference, Conference Room 308

Aloha Honorable Chair Yamashita, Vice Chair Kitagawa, and members of the Committee on Finance,

On behalf of the County of Hawai'i, I am expressing our **strong opposition** to **HB 2781**. Act 247, Session Laws of Hawaii 2005, established the county surcharge on state tax to provide a funding source for certain county transportation projects. The county surcharge on state tax is scheduled to be repealed on December 31, 2030.

The purpose of HB 2781 is to, upon the repeal of the county surcharge on state tax, establish a successor surcharge on the general excise and use taxes to provide funding for education and social services in the State.

County of Hawai'i currently uses our current surcharge to fund our transit system as well as other transportation projects. As the cost of all of our projects continues to rise, it may be more appropriate to discuss this closer to the sunset date.

For the foregoing reasons, I strongly oppose the passage of HB 2781. Thank you for the opportunity to testify on this matter.

Mitchell D. Roth
Mayor
County of Hawai'i

OFFICE OF THE MAYOR

DEREK S.K. KAWAKAMI, MAYOR

REIKO MATSUYAMA, MANAGING DIRECTOR



Testimony of Derek S.K. Kawakami

Mayor, County of Kaua'i

Before the

House Committee on Finance

February 27, 2024; 10:00 AM

Conference Room 308 & Videoconference

In consideration of

House Bill 2781 Relating to Taxation

Honorable Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The County of Kaua'i **strongly opposes** HB 2781 which establishes a surcharge on the general excise tax after the county surcharge sunsets in 2030.

To be clear, this is not a debate on whether our county supports education and social services. This is a debate on the source of funding for these initiatives.

The County of Kaua'i prides itself on our strong partnership with the state. We work closely with Lieutenant Governor Luke on the "Ready Keiki" initiative to support universal access to early childhood education. We are currently in the process of repurposing a county building to accommodate early education programs. The County of Kaua'i supports the Department of Education high school sports programs with the use of Vidinha stadium and fields, Bryan J. Baptiste stadium and fields, Hanapēpē stadium, Waimea athletic field, Isenberg field, Lydgate-Weinberg field, Cook field, Kapa'a Town beach park, and Kapa'a and Waimea swimming pools. The Kaua'i Police Department dedicates Schools Resource Officers to our public high schools and provides law enforcement services on state land and highways. Our Kaua'i Fire Department responds to calls for service and rescues on state beaches and trails. Further, the County of Kaua'i supports a myriad of social services and recently awarded a one-million-dollar grant in aid to community service providers that support mental health and substance abuse prevention.

Part of the reason the County of Kaua'i has been able to dedicate millions in General Funds toward the above-mentioned services is in large part our ability to collect the general excise surcharge.

The general excise surcharge has allowed the county to monumentally reinvest in aging infrastructure while creating jobs through the planning, consulting, engineering, and building industries. We have utilized the county surcharge to invest in public transportation which many residents rely on to get to work as well as the complete resurfacing of over 180 lane miles of county roads, roundabouts, and bridge repairs. The peanut shaped roundabout by Kapa'a Elementary School, Kapa'a High School, and St. Catherine School has eased traffic flow and improved safety for our keiki as they go to and from school.

The County of Kaua'i still has over 400 County miles to resurface as we continue to address deferred maintenance in this area. As the life of a resurfaced road is generally 10 years, we look to repeating the cycle and not allowing our infrastructure to fall to the previous failing level.

Again, the County of Kaua'i strongly supports education and social services, however, we support removing the county surcharge sunset date of December 31, 2030 thus allowing each county to continue to fund their transportation projects and housing infrastructure.

Mahalo for the opportunity to testify.

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: GENERAL EXCISE; Surcharge on General Excise Tax; Surcharge on Use Tax

BILL NUMBER: HB 2781

INTRODUCED BY: YAMASHITA

EXECUTIVE SUMMARY: Establishes a surcharge on general excise and use taxes.

SYNOPSIS: Amends section 237-8.6(a), HRS to replace the county surcharge with a state surcharge of one-half percent on general excise tax beginning January 1, 2031.

Amends section 238-2.6(a), HRS to replace the county surcharge with a state surcharge of one-half percent on use tax beginning January 1, 2031.

Makes conforming amendments.

EFFECTIVE DATE: January 1, 2031.

STAFF COMMENTS: The county surcharge on state tax is scheduled to be repealed on December 31, 2030. Consequently, beginning January 1, 2031 this bill proposes a permanent successor surcharge of one-half percent on all gross proceeds under chapter 237 and chapter 238.

This, this is a tax hike bill, purely and simply.

It's certainly true that this proposed tax hike will not be a "hike" so much as making permanent what was supposed to be a temporary increase on tax.

While this measure is proposed to extract additional revenues to address the state's fiscal situation, it should be remembered that the adoption of measures like this that temporarily propose a "tax increase" on certain transactions, will not be effective unless government expenditures are also curtailed. If taxes increase and government spending rises, little or no net gain is achieved – and we are starting this year staring down a deficit brought on by, among other things, Maui wildfire relief costs coming in at a multiple of what was expected.

As Hawaii families have tightened their collective belts during these difficult times, so should federal state, and county governments. Before adding additional burdens to Hawaii's overburdened taxpayers, both businesses and individuals, state policymakers need to put all programs and services on the table and decide which are really "core" services and which are "nice to have" and then rearrange the allocation of resources so that it is only the "core" services that are funded.

The proliferation of special funds, which some call "dedicated sources of funding," makes it increasingly difficult for lawmakers to set priorities. Many special funds should be abolished with the money returned to the general fund, so that the legislature can properly exercise its oversight functions.

Finally, we note the distinct probability that these tax increases will be used to fund collective bargaining increases, as this measure, like any across the board tax increase, would motivate the government employee unions to demand, and mediators or arbitrators to award, substantial wage and salary increases. This would certainly be unfair to a larger group of taxpayers who have suffered not only furloughs or pay reductions, but layoffs and business closures, starting from the pandemic and which would be exacerbated by the tax increases in this bill.

Digested: 2/25/2024

Feb 27, 2024, 10 a.m.
Hawaii State Capitol
Conference Room 308 and Videoconference

To: House Committee on Finance
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice-Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: TESTIMONY OPPOSING HB2781 — RELATING TO TAXATION

Aloha Chair Yamashita, Vice Chair Kitagawa and Committee Members,

The Grassroot Institute of Hawaii opposes [HB2781](#) which would let the county surcharges on the state general excise and use taxes lapse as scheduled on Jan. Dec. 31, 2030, but then replace them with a permanent 0.5% state “surcharge” on the state GET and use tax as of Jan. 1, 2031.

The bill notes that this would give the counties “six years to find alternative revenue sources to support programs that are currently funded by the county surcharge on state tax,” but this alleged magnanimity seems more like a long-range attempt to sneak a permanent tax increase past the public while simultaneously putting the counties on notice that they would have to find new revenue sources to replace their surcharges.

If that indeed is what would happen — that the counties would find new revenue sources to replace their surcharges — then what we’re really talking about here is another tax increase. This inescapably would contribute to our high cost of living, which is already the highest in the nation.

A far better choice than what is being proposed in this bill would be to simply allow the county GET surcharges to lapse. Otherwise, what we would be doing is permanently increasing Hawaii’s GET to 4.5%, despite the statements originally that it would fall back to 4% in 2031.

In addition, The GET is widely recognized as being a regressive tax, which makes the idea of a permanent increase even more objectionable. Rhetoric notwithstanding, a “surcharge” is a tax hike, and a permanent increase in the GET would disproportionately affect Hawaii’s most economically disadvantaged residents.

According to the Institute on Taxation and Economic Policy, Hawaii’s GET falls most heavily on those least able to afford it and takes up an average of 11% of family income for the poorest 20% of earners.¹

In addition, Hawaii’s GET is often singled out as one of the barriers to doing business in our state.

We already know that many private practice doctors have said the GET is a major factor in their decisions to close up shop and either retire or move to the mainland.² But national groups have weighed in too.

The 2022 ALEC-Laffer State Economic Competitiveness Index ranked Hawaii 50th among all states for its “sales tax” burden, meaning that the GET contributes a significant negative effect to the state’s economic outlook.³

And the national Tax Foundation estimates that because of the GET’s broad applicability and the fact that some products are taxed multiple times, Hawaii’s general excise tax “ultimately taxes 119% of the state’s personal income,” compared to a national median of 36%.⁴

Looking at the even broader picture, one must consider that tax increases in general are not a good idea for Hawaii’s economy, especially not now when it already has one of the highest tax burdens in the nation.⁵

Consider these points:

>> Hawaii’s population has been declining for the past six years.⁶ Tens of thousands of Hawaii residents have moved to the mainland over the past six years — and mainly to states without income taxes, such as Washington, Nevada, Texas and Florida.⁷ Their departure from the islands is not only emotionally distressing, but economically depressing as well.

>> Fewer people remaining means fewer people to work at our private businesses, or even staff our government agencies. It also means fewer people to help pay for Hawaii’s ever-increasing tax burden.

¹ Meg Wiehe, et al., [“Who Pays? A Distributional Analysis of the Tax Systems in All 50 States,”](#) Sixth Edition. Institute on Taxation and Economic Policy, October 2018, p.54.

² [“How the state GET affects healthcare costs in Hawaii,”](#) Grassroot Institute of Hawaii, January 2020.

³ Arthur B. Laffer, Stephen Moore and Jonathan Williams, [“Rich States, Poor States: ALEC-Laffer State Economic Competitiveness Index, 15th Edition,”](#) American Legislative Exchange Council, 2022.

⁴ Janelle Fritts, [“State and Local Tax Rates, 2023,”](#) Tax Foundation, Feb. 7, 2023.

⁵ Jared Walczak and Erica York, [“State and Local Tax Burdens, Calendar Year 2022,”](#) Tax Foundation, April 7, 2022.

⁶ Maria Wood, [“Where People from Hawaii Are Moving to the Most,”](#) 24/7 Wall Street, Jan. 23, 2022.

⁷ Katherine Loughhead, [“How Do Taxes Affect Interstate Migration?”](#) Tax Foundation, Oct. 11, 2022.

>> Higher taxes for the residents who still live here is more fuel for the exodus of talent and capital — our friends, neighbors and family — to places that are more affordable. It’s a downward spiral economically fostered by the relentless upward spiral of more and more taxes.

>> Hawaii taxes high-income earners at 11%, second only to California at 13.3%.⁸ Hawaii’s top 1.5% of taxpayers already pay 34.9% of all income taxes in the state.⁹

>> Finally, Hawaii is suffering from a stagnant economy, and both the Economic Research Organization at the University of Hawai’i¹⁰ and the state Department of Business, Economic Development and Tourism¹¹ have predicted continued slow economic growth in 2024. Tax hikes could exacerbate this slowdown, since entrepreneurs will be less likely to want to invest their capital — or “wealth assets,” as the case may be¹² — in Hawaii’s economy.

In short, Hawaii’s residents and businesses need a break from new taxes, tax increase, fees and surcharges. This is not the time to make Hawaii a more expensive place to live and do business.

We urge you to defer HB2781 rather than pricing yet more residents out of paradise.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

⁸ Timothy Vermeer, “[State Individual Income Tax Rates and Brackets for 2023](#),” Tax Foundation, Feb. 21, 2023.

⁹ “[Hawaii Individual Income Tax Statistics](#),” Hawaii Department of Taxation report for Tax Year 2021, August 2023, Table 12A.

¹⁰ Carl Bonham, Byron Gagnes, Steven Bond-Smith, et al., “[State Facing Headwinds as Maui Recovery Begins](#),” Economic Research Organization at the University of Hawai’i, Dec. 15, 2023.

¹¹ Hawaii Department of Business, Economic Development, and Tourism, “[Hawaii Economic Growth Remains Low for 2024 as Recovery Continues](#),” Dec. 11, 2023.

¹² Aaron Hedlund, “[How Do Taxes Affect Entrepreneurship, Innovation, and Productivity?](#)” Center for Growth and Opportunity at Utah State University, Dec. 23, 2019; Ergete Ferede, “[The Effects on Entrepreneurship of Increasing Provincial Top Personal Income Tax Rates in Canada](#),” Fraser Institute, July 10, 2018; Robert Carroll, Douglas Holtz-Eakin, Mark Rider and Harvey S. Rosen, “[Personal Income Taxes and the Growth of Small Firms](#),” National Bureau of Economic Research, October 2000.

Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

To: House Committee on Finance
Re: **HB 2781 – Relating to Taxation**
Hawai'i State Capitol & Via Videoconference
February 27, 2024, 10:00 AM

Dear Chair Yamashita, Vice Chair Kitagawa, and Committee Members,

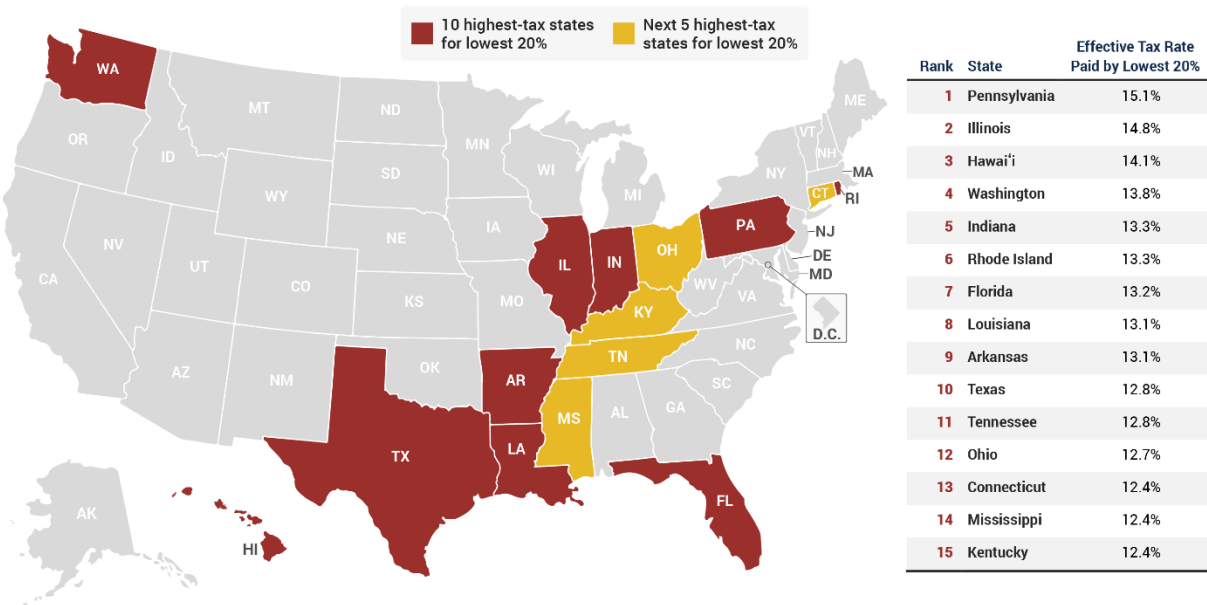
On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **OPPOSITION to HB 2781**. This bill establishes a surcharge on general excise and use taxes (GET), starting in 2031.

Hawai'i's tax system currently is upside down. Families who earn less than about \$22,000 per year pay 14.1% of their income in state and local taxes, while those who make over about \$595,000 pay only 10.1%.¹ In fact, our state saddles our **low-income families with the third-heaviest state and local tax burden in the nation.**²

This bill would make Hawai'i's tax system even more regressive, by disproportionately burdening those who are the least able to afford to pay more taxes.

FIGURE 11

States with the Highest Taxes on Low-Income Households



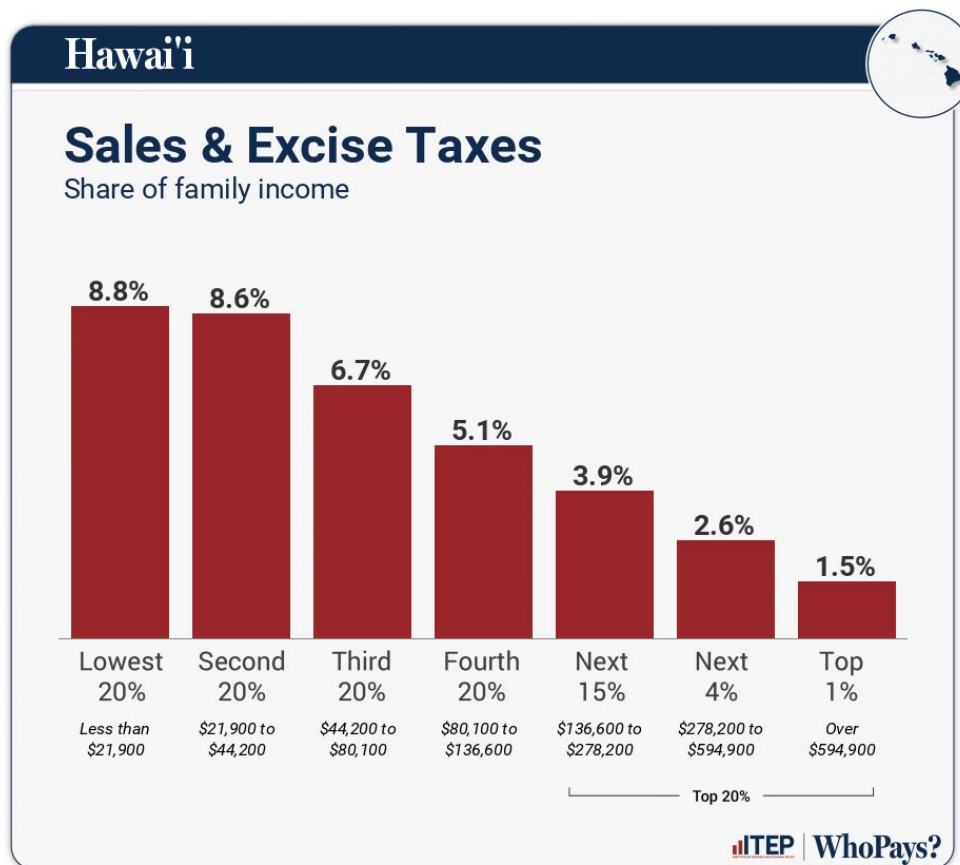
Source: Institute on Taxation and Economic Policy (ITEP)

ITEP | WhoPays?

¹<https://itep.org/whopays/hawaii-who-pays-7th-edition/>

²<https://itep.org/whopays-7th-edition/#low-taxes-or-just-regressive-taxes>

The main reason for the heavy burden of taxes on the lowest-income families in our state is the GET. Families who earn less than about \$22,000 per year pay **more than five times as much** of their income in GET (8.8%) than those who make over about \$595,000 (1.5%).³ This is because lower-income families spend almost all of their paychecks on goods and services that are subject to the GET.



The stresses of childhood poverty have both immediate and long-term effects on keiki's physical and mental health, behavioral self-control, academic achievement, and future earnings as adults.⁴ Anything that increases the financial stress of families at or near the poverty level, as this bill would do, will have long-term harmful effects on our state.

Mahalo for the opportunity to provide this testimony. We respectfully request that you defer this bill.

Thank you,

Nicole Woo
Director of Research and Economic Policy

³<https://itep.org/whopays/hawaii-who-pays-7th-edition/>

⁴<https://www.apa.org/pi/ses/resources/indicator/2014/06/childhood-poverty>



**Testimony Before the
House Committee on Finance**

Tuesday, February 27, 2024; 10:00 am
Conference Room 308 & Via Videoconference
State Capitol, 415 South Beretania Street, Honolulu, HI 96813

Subject: Opposition to HB2781 - Concerns from the Kaua'i Chamber

Dear Chair Yamashita, Vice-Chair Kitagawa, and distinguished Members of the Committee:

On behalf of the Kaua'i Chamber and its members, I am writing to express our strong opposition to HB2781, which proposes the establishment of a statewide surcharge on the general excise and use taxes effective January 1, 2031. While we commend the state's initiative to seek funding for universal preschool, K-12 education, and social services, we are deeply concerned about the implications this bill has for local transportation infrastructure and services on Kaua'i, currently funded by the county surcharge on state tax.

The proposed legislation overlooks the critical importance of maintaining and improving Kauai's transportation network, including roads and the Kaua'i Bus service, which are vital for our community's well-being and economic prosperity. The general excise tax (GET) surcharge has been instrumental in funding these essential services on our island. Removing or reallocating these funds without providing an alternative or extension of the GET surcharge option for counties undermines our ability to support our local needs and priorities.

Furthermore, we believe that the responsibility for finding alternative funding sources for statewide initiatives should not detract from the counties' ability to finance critical local infrastructure projects. It is imperative that the state explores other avenues for funding its initiatives without compromising the counties' fiscal autonomy and the services crucial to their residents.

Therefore, we respectfully urge the committee to reconsider HB2781 in its current form. We advocate for an approach that allows counties to extend the GET surcharge option beyond 2030, ensuring that local governments retain the ability to fund vital transportation and infrastructure projects. The Kaua'i Chamber stands ready to engage in constructive dialogue and work collaboratively towards solutions that meet both state and local funding needs without sacrificing essential services that our communities rely on.

We appreciate your attention to our concerns and hope for your support in finding a balanced and equitable approach to funding statewide and local priorities.

Thank you for considering our perspective on this matter.

Sincerely,

Mark Perriello
President & CEO

HB-2781

Submitted on: 2/25/2024 4:03:55 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
lynne matusow	Individual	Oppose	Written Testimony Only

Comments:

Stop with the surcharges. What you need to do is reduce taxes and make it easier for people to live here.

Please defer this bill.

TO: Members of the Committee on Finance

FROM: Natalie Iwasa, CPA, CFE
808-395-3233

HEARING: 10 a.m. Tuesday, February 27, 2024

SUBJECT: HB2781, GET Surcharge - **OPPOSED**

Aloha Chair Yamashita and Committee Members,

Thank you for allowing the opportunity to provide testimony on HB2781, which would continue the .5% surcharge on general excise and use taxes beyond 2030 but for purposes other than those currently in effect.

I oppose this bill.

On Oahu we have had a GET surcharge for over 15 years. It was supposed to end a couple of years ago. The tax is on groceries, medical services and rent, which increases the cost to every-day items and makes it difficult for lower income residents to keep their heads above water, financially.

Please do not extend the surcharge. A better option would be to use taxpayer money more efficiently, i.e., cut down on waste.

Please vote "no" on HB2781.

HB-2781

Submitted on: 2/26/2024 2:07:15 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Oppose	Written Testimony Only

Comments:

I am testifying against HB2781. This bill would add a half percent surcharge to the General Excise Tax. The GET is a regressive tax, [hitting the lowest-income people much harder](#) than those at the top, because lower-income people spend almost all of their income on goods and services that are taxed by the GET. We should not be using the GET to shore up budget deficits. We should be taxing the rich through taxes like capital gains, conveyance tax, or by lowering the estate tax exemptions. Please defer this bill.

HB-2781

Submitted on: 2/26/2024 2:39:00 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Krystal Baba	Individual	Oppose	Written Testimony Only

Comments:

I am testifying against HB2781. This bill would add a half percent surcharge to the General Excise Tax. The GET is a regressive tax, [hitting the lowest-income people much harder](#) than those at the top, because lower-income people spend almost all of their income on goods and services that are taxed by the GET. We should not be using the GET to shore up budget deficits. We should be taxing the rich through taxes like capital gains, conveyance tax, or by lowering the estate tax exemptions. Please defer this bill.

HB-2781

Submitted on: 2/26/2024 2:55:28 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Doris Matsunaga	Save Medicaid Hawaii	Oppose	Written Testimony Only

Comments:

Save Medicaid Hawaii opposes HB2781. This bill would add a half percent surcharge to the General Excise Tax. The GET is a regressive tax, [hitting the lowest-income people much harder](#) than those at the top, because lower-income people spend almost all of their income on goods and services that are taxed by the GET. We should not be using the GET to shore up budget deficits. We should be taxing the rich through taxes like capital gains, conveyance tax, or by lowering the estate tax exemptions. Please defer this bill.

HB-2781

Submitted on: 2/26/2024 3:09:49 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jessie L Gonsalves	Individual	Oppose	Written Testimony Only

Comments: I am testifying against HB2781.

HB-2781

Submitted on: 2/26/2024 3:18:44 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Diliaur Tellei	Individual	Oppose	Written Testimony Only

Comments:

I am testifying against HB2781. This bill would add a half percent surcharge to the General Excise Tax. The GET is a regressive tax, [hitting the lowest-income people much harder](#) than those at the top, because lower-income people spend almost all of their income on goods and services that are taxed by the GET. We should not be using the GET to shore up budget deficits. We should be taxing the rich through taxes like capital gains, conveyance tax, or by lowering the estate tax exemptions. Please defer this bill.

HB-2781

Submitted on: 2/26/2024 3:32:56 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shay Chan Hodges	Individual	Oppose	Written Testimony Only

Comments:

I am testifying against HB2781. This bill would add a half percent surcharge to the General Excise Tax. The GET is a regressive tax, [hitting the lowest-income people much harder](#) than those at the top, because lower-income people spend almost all of their income on goods and services that are taxed by the GET. We should not be using the GET to shore up budget deficits. We should be taxing the rich through taxes like capital gains, conveyance tax, or by lowering the estate tax exemptions. Please defer this bill.

HB-2781

Submitted on: 2/26/2024 3:50:37 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dan Gardner	Individual	Oppose	Written Testimony Only

Comments:

Chair Yamishito, Vice-Chair Kitagawa and Members of the Finance Committee:

I am opposed to HB 2781 that would add a half percent to the current General Excise Tax (GET). This tax would hit those in the lowest income brackets to a greater extent than wealthier tax payers. Please target the higher income brackets who have better where-with-all to absorb the increase. Please defer this bill.

Dan Gardner

Honolulu, HI



HB-2781

Submitted on: 2/26/2024 5:21:24 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Pua Auyong-White	Individual	Oppose	Written Testimony Only

Comments:

I am testifying against HB2781. This bill would add a half percent surcharge to the General Excise Tax. The GET is a regressive tax, [hitting the lowest-income people much harder](#) than those at the top, because lower-income people spend almost all of their income on goods and services that are taxed by the GET. We should not be using the GET to shore up budget deficits. We should be taxing the rich through taxes like capital gains, conveyance tax, or by lowering the estate tax exemptions. Please defer this bill.

HB-2781

Submitted on: 2/26/2024 5:58:19 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jessica dos Santos	Individual	Oppose	Written Testimony Only

Comments:

Dear Legislators,

I am testifying against HB2781. This bill would add a half percent surcharge to the General Excise Tax. The GET is a regressive tax, [hitting the lowest-income people much harder](#) than those at the top, because lower-income people spend almost all of their income on goods and services that are taxed by the GET. We should not be using the GET to shore up budget deficits. We should be taxing the rich through taxes like capital gains, conveyance tax, or by lowering the estate tax exemptions. Please defer this bill.

Sincerely,

Jessica dos Santos

HB-2781

Submitted on: 2/26/2024 6:00:48 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
John Fitzpatrick	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am testifying against HB2781. This bill would add a half percent surcharge to the General Excise Tax. The GET is a regressive tax, [hitting the lowest-income people much harder](#) than those at the top, because lower-income people spend almost all of their income on goods and services that are taxed by the GET. We should not be using the GET to shore up budget deficits. We should be taxing the rich through taxes like capital gains, conveyance tax, or by lowering the estate tax exemptions. Please defer this bill.

We can work together and pass a strong Con Am to apply property taxes to the wealthy in order to fund critical services like our schools.

Mahalo,

Fitz

HB-2781

Submitted on: 2/26/2024 6:25:37 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kathy Shimata	Individual	Oppose	Written Testimony Only

Comments:

I am testifying against HB2781. This bill would add a half percent surcharge to the General Excise Tax. The GET is a regressive tax, [hitting the lowest-income people much harder](#) than those at the top, because lower-income people spend almost all of their income on goods and services that are taxed by the GET. We should not be using the GET to shore up budget deficits. We should be taxing the rich through taxes like capital gains, conveyance tax, or by lowering the estate tax exemptions. Please defer this bill.

Mahalo,

Kathy Shimata



Honolulu. 96822

HB-2781

Submitted on: 2/26/2024 9:10:36 PM

Testimony for FIN on 2/27/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
John Bickel	Individual	Oppose	Written Testimony Only

Comments:

The GET is regressive. Unless this bill is amended to give a generous expansion of a low income tax credit, it would add to the cost of living of those in our society struggling most to make ends meet.