

---

## A BILL FOR AN ACT

---

RELATING TO THE GENERAL EXCISE TAX.

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

1       SECTION 1. Chapter 237, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4       "~~\$237-~~       **Monthly tax holiday; small businesses.**   (a)  
5       Notwithstanding any law to the contrary, taxes under this  
6       chapter shall not be due on any gross proceeds of sales made or  
7       gross income earned by any small business in the State on the  
8       first Saturday of each month during the period beginning at  
9       12:01 a.m. and ending at 12:00 midnight; provided that all  
10       savings generated by this section shall be passed on by the  
11       seller to the purchaser. This exemption shall not apply to  
12       sales on goods that will be resold in any manner.

13       (b) The exemption provided in this section shall not apply  
14       to:

15       (1) Rebates, layaway sales, rain checks, or exchanges when  
16       the exchanges occur before or after the tax holiday  
17       period; or



(2) Items purchased via the internet, telephone, or mail-  
order.

(c) A taxpayer shall not be required to obtain any special  
license, permit, or other documentation during the exemption  
holiday period; provided that the taxpayer's records shall  
clearly identify the type of goods or services sold, the date of  
sale, and the price of goods or services sold.

(d) For the purposes of this section, "small business"  
means a for-profit corporation, limited liability company,  
partnership, limited partnership, sole proprietorship, or other  
legal entity that:

(1) Is domiciled and authorized to do business in Hawaii;

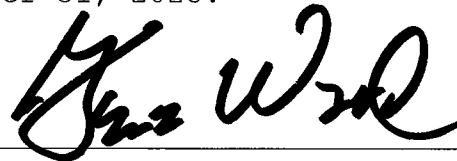
(2) Is independently owned and operated; and

(3) Employs fewer than fifty employees in Hawaii."

SECTION 2. New statutory material is underscored.

SECTION 3. This Act, upon its approval, shall apply to  
taxable years beginning after December 31, 2025.

INTRODUCED BY:



JAN 17 2025



# H.B. NO. 522

**Report Title:**

Small Business Caucus Package; GET; Tax Holiday; Monthly;  
Saturdays

**Description:**

Establishes a general excise tax holiday on the first Saturday  
of each month for small businesses within the State.

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

