

JAN 15 2025

A BILL FOR AN ACT

RELATING TO THE CONVEYANCE TAX.

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

1 SECTION 1. Section 201H-191, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§201H-191 Dwelling unit revolving fund.** (a) There is
4 created a dwelling unit revolving fund. The [~~funds appropriated~~
5 ~~for the purpose of the dwelling unit revolving fund and all~~
6 ~~moneys received or collected by the corporation for the purpose~~
7 ~~of the revolving fund]~~ following shall be deposited [~~in~~] into
8 the revolving fund[-]:

9 (1) Funds appropriated for the purpose of the dwelling
10 unit revolving fund;

11 (2) A portion of conveyance taxes pursuant to section
12 247-7(3); and

13 (3) All moneys received or collected by the corporation
14 for the purpose of the revolving fund.

15 (b) The proceeds in the revolving fund shall be used to
16 reimburse the general fund to pay the interest on general
17 obligation bonds issued for the purposes of the revolving fund,



1 for the necessary expenses in administering housing development
2 programs and regional state infrastructure programs, and for
3 carrying out the purposes of housing development programs and
4 regional state infrastructure programs, including but not
5 limited to the expansion of community facilities and regional
6 state infrastructure constructed in conjunction with housing and
7 mixed-use transit-oriented development projects, permanent
8 primary or secondary financing, and supplementing building
9 costs, federal guarantees required for operational losses, and
10 all things required by any federal agency in the construction
11 and receipt of federal funds or low-income housing tax credits
12 for housing projects.

13 ~~[(b)]~~ (c) Subject to the requirements of subsection ~~[(a)]~~,
14 (b), proceeds in the revolving fund may be used to establish and
15 operate regional state infrastructure subaccounts pursuant to
16 section 201H-191.5."

17 SECTION 2. Section 247-7, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "**§247-7 Disposition of taxes.** All taxes collected under
20 this chapter shall be paid into the state treasury to the credit
21 of the general fund of the State, to be used and expended for



1 the purposes for which the general fund was created and exists
2 by law; provided that of the taxes collected each fiscal year:


3 (1) Ten per cent or \$5,100,000, whichever is less, shall
4 be paid into the land conservation fund established
5 pursuant to section 173A-5; [and]

6 (2) Fifty per cent [~~or \$38,000,000, whichever is less,~~]
7 shall be paid into the rental housing revolving fund
8 established [~~by~~] pursuant to section 201H-202[+]; and

9 (3) Ten per cent shall be paid into the dwelling unit
10 revolving fund established pursuant to section
11 201H-191."

12 SECTION 3. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 4. This Act shall take effect on July 1, 2025.

15 INTRODUCED BY: 



S.B. NO. 41

Report Title:

Conveyance Tax; Dwelling Unit Revolving Fund; Rental Housing Revolving Fund; Allocations

Description:

Allocates ten per cent of conveyance tax collections to the Dwelling Unit Revolving Fund. Removes the annual cap on conveyance taxes paid into the Rental Housing Revolving Fund.

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