

STAND. COM. REP. NO. 465

Honolulu, Hawaii

FEB 13 2025

RE: S.B. No. 1468  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 1468 entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX  
EXEMPTIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to repeal, on January 1, 2026, the general excise tax exemptions for amounts received by:

- (1) Independent sugar cane farmers; and
- (2) Contractors of the federal Patient-Centered Community Care Program established by the United States Department of Veterans Affairs pursuant to title 38 United States Code section 8153.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that good tax policy dictates that taxes should be simple, equitable, and transparent. Your Committee notes that because so few taxpayers utilize the general excise tax

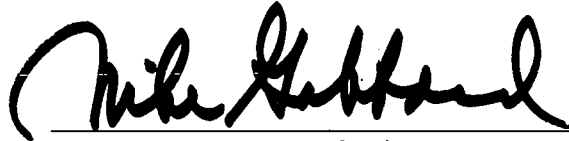


exemption for independent sugar cane farmers, aggregated data cannot be released for risk of identifying the claimants. Likewise, no contractors of the federal Patient-Centered Community Care Program have claimed the exemption in the past two years, indicating that it has no benefit to the public. This administration measure supports tax equity and government efficiency by repealing unused or under-utilized exemptions.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1468, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1468, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Agriculture and  
Environment,

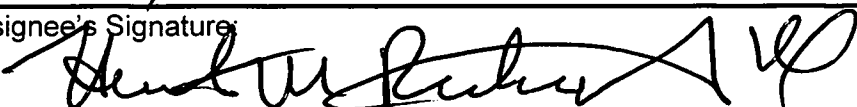


MIKE GABBARD, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Agriculture and Environment**  
**AEN**

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 1468</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">AEN, WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2/10/25</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"><input type="checkbox"/> Pass, unamended 2312</div> <div style="text-align: center;"><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div style="text-align: center;"><input type="checkbox"/> Hold 2310</div> <div style="text-align: center;"><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	<input checked="" type="checkbox"/>			
RICHARDS, III, Herbert M. "Tim" (VC)	<input checked="" type="checkbox"/>			
DECOITE, Lynn	<input checked="" type="checkbox"/>			
RHOADS, Karl	<input checked="" type="checkbox"/>			
AWA, Brenton	<input checked="" type="checkbox"/>			
<b>TOTAL</b>	5	0	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <span style="margin-left: 100px;"><input type="checkbox"/> Not Adopted</span>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; text-align: center;">  </div>				
<b>Distribution:</b> <div style="display: flex; justify-content: space-around; font-size: 0.8em;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

\*Only one measure per Record of Votes