
A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. The legislature finds that homestead lots or
2 housing developed for the department of Hawaiian home lands
3 awarded to native Hawaiians are offered at affordable rates when
4 compared to similar housing opportunities available in Hawaii.
5 The purpose of this Act is to exempt any development of
6 homestead lots or housing for the department of Hawaiian home
7 lands from general excise and use taxes.

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

11 "§237- Exemptions for any development of homestead lots
12 or housing for the department of Hawaiian home lands. (a) This
13 chapter shall not apply to any amounts related to planning,
14 design, financing, or construction activities conducted by a
15 qualified person or firm for a new construction, moderate
16 rehabilitation, or substantial rehabilitation project for



1 homestead lots or housing for the department of Hawaiian home
2 lands, including but not limited to a project developed:

3 (1) Under a government assistance program approved by the
4 department of Hawaiian home lands;

5 (2) Under the sponsorship of a nonprofit organization
6 providing home rehabilitation or new homes on Hawaiian
7 home lands for families qualified under the Hawaiian
8 Homes Commission Act, 1920, as amended, in need of
9 decent, low-cost housing; or

10 (3) To provide affordable rental housing where at least
11 fifty per cent of the available units are for
12 households with incomes at or below eighty per cent of
13 the area median family income as determined by the
14 United States Department of Housing and Urban
15 Development.

16 (b) All claims for exemption under this section shall be
17 filed with and certified by the department of Hawaiian home
18 lands and forwarded to the department of taxation by the
19 claimant.

20 (c) For purposes of this section:



1 "Homestead lot" means a lot of residential, agricultural,
2 or pastoral use to be awarded pursuant to the Hawaiian Homes
3 Commission Act, 1920, as amended, including but not limited to
4 on- and off-site infrastructure requirements, appurtenances, and
5 dwelling units.

6 "Moderate rehabilitation" has the same meaning as defined
7 in section 201H-36(d).

8 "Qualified person or firm" means any individual,
9 partnership, joint venture, corporation, association, limited
10 liability partnership, limited liability company, business,
11 trust, or any organized group of persons or legal entities, or
12 any combination thereof, that possesses all professional or
13 vocational licenses necessary to do business in the State.

14 "Substantial rehabilitation" has the same meaning as
15 defined in section 201H-36(d)."

16 SECTION 3. Section 238-3, Hawaii Revised Statutes, is
17 amended by amending subsection (j) to read as follows:

18 "(j) The tax imposed by this chapter shall not apply to
19 any use of property, services, or contracting exempted by
20 section 237-26 [~~or section~~], 237-29[-], or 237- ."



1 SECTION 4. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect on July 1, 3000.



Report Title:

DHHL; General Excise Tax Exemption; Use Tax Exemption

Description:

Exempts any development of homestead lots or housing for the Department of Hawaiian Home Lands from general excise and use taxes. Effective 7/1/3000. (HD1)

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