STAND. COM. REP. NO. 2447

Honolulu, Hawaii

FOB 17

RE: S.B. No. 2041

S.D. 1

Honorable Robert Bunda President of the Senate Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Housing, to which was referred S.B. No. 2041 entitled:

"A BILL FOR AN ACT GENERAL EXCISE TAX; EXEMPTION FOR RELATED ENTITIES,"

begs leave to report as follows:

The purpose of this measure is to clarify the definition of related entities to include indirect and direct ownership.

No testimony in support of this measure was submitted. Testimony in opposition to this measure was submitted by the Department of Taxation. Comments were submitted by the Department of the Attorney General and the Tax Foundation of Hawaii.

Your Committee has amended this measure by making a technical amendment.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2041, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2041, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Commerce, Consumer Protection, and Housing,

RON MENOR, Chair

The Senate Twenty-Third Legislature State of Hawaii

Record of Votes of the Committee on Commerce, Consumer Protection and Housing (Bills and Resolutions)

Measure:*	1	Committee Referral:		Date:	
SB 2041	CPI	CPH, WAM		2-16-06	
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is to:					
Pass, unamended (2312)			Hold Recommit (2310) (2313)		
Members		Ayes	Ayes(WR)	Nays	Excused
MENOR, Ron (C)		V			
BAKER, Rosalyn H. (VC)					
ESPERO, Will C.		V			
IGE, David Y.					
SAKAMOTO, Norman					V
HOGUE, Bob					
				: · · ·	
				-	
4					
TOTAL		3			/
Recommendation:					
Adopted			Not Adopted		
Chair's or Designee's Signature: Resulze H Baller					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

^{*}Do <u>not</u> list more than one measure per Record of Votes.