STAND. COM. REP. NO. 1507

Honolulu, Hawaii

APR 0 4 2007

RE: H.B. No. 1719

H.D. 1

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

## Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1719, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to extend the existing general excise tax exemptions for condominium common expenses paid by managers and hotel employee expenses paid by hotel operators, to include expenses paid by submanagers and suboperators and to include employee expenses in timeshare projects.

Wyndham Vacation Ownership, Inc., submitted written testimony in support of this measure. The Department of Taxation submitted written comments on this measure.

Your Committee find that changes in visitor accommodations, such as more timeshares, resort condos, or condominium-hotels, have led to differences in how these less traditional facilities are managed. This measure would extend equitable treatment to these newer forms of management and operations, which currently are in place for hotels under more traditional management framework.

Your Committee has amended this measure by adding a reference to chapter 514A, Hawaii Revised Statutes to section 237-24.3(3)(A), Hawaii Revised Statutes.



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1719, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1719, H.D. 1, S.D. 1.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ROSALYN H. BAKER, Chair

## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:* Committee Referral: Date:					
HB 1719 HDI EDT/TSG, WAM 3/20/07					
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)		/			
TSUTSUI, Shan S. (VC)					
CHUN OAKLAND, Suzanne					
ENGLISH, J. Kalani		/			
FUKUNAGA, Carol				***************************************	
HOOSER, Gary L.					
KIM, Donna Mercado					/
MENOR, Ron					
TOKUDA, Jill N.					
HEMMINGS, Fred					
WHALEN, Paul					/
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TOTAL			0	0	2
Recommendation:	Adopted	Not Adopted			
Chair's or Designee's Signature:					
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Distribution: Original File with Committee	e Report	Yellow Pink Clerk's Office Drafting Agency			