
A BILL FOR AN ACT

RELATING TO GENERAL EXCISE TAX.

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

1 SECTION 1. Section 237-23, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) The exemptions enumerated in subsection (a) (3) to (6)
4 shall apply only:

5 (1) To those persons who shall have registered with the
6 department of taxation by filing a written application
7 for registration in such form as the department shall
8 prescribe, shall have paid the registration fee of
9 \$20, and shall have had the exemption allowed by the
10 department or by a court or tribunal of competent
11 jurisdiction upon appeal from any assessment resulting
12 from disallowance of the exemption by the department;

13 (2) To activities from which no profit inures to the
14 benefit of any private stockholder or individual,
15 except for death or other benefits to the members of
16 fraternal societies; and

17 (3) To the fraternal, religious, charitable, scientific,
18 educational, communal, or social welfare activities of



1 such persons, or to the activities of such hospitals,
 2 infirmaries, and sanitarium as such, and not to any
 3 activity the primary purpose of which is to produce
 4 income even though the income is to be used for or in
 5 furtherance of the exempt activities of such
 6 persons[-]; provided that the income produced from
 7 activities by charitable organizations exempted under
 8 section 501(c)(3), (4), (6), or (8) of the Internal
 9 Revenue Code of 1986, as amended, shall be exempted
 10 from this chapter."

11 SECTION 2. Statutory material to be repealed is bracketed
 12 and stricken. New statutory material is underscored.

13 SECTION 3. This Act shall take effect on July 1, 2007 and
 14 shall apply to taxable years beginning after December 31, 2006.
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Report Title:

General Excise Tax; Charitable Fundraising

Description:

Exempts charitable fundraising activities from the general excise tax.

