STAND. COM. REP. NO. 1108

Honolulu, Hawaii

Mach 2, 2007

RE: H.B. No. 724 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 724 entitled:

"A BILL FOR AN ACT RELATING TO COUNTY SURCHARGE ON STATE GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose of this bill is to reduce the amount deducted from the City and County of Honolulu's surcharge on the State General Excise Tax to pay the State Department of Taxation (DOTAX) for the costs incurred by the State in the assessment, collection, and disposition of the county surcharge.

The Land Use Research Foundation of Hawaii and several concerned individuals testified in support of this bill. The Department of Budget and Fiscal Services of the City and County of Honolulu and Tax Foundation of Hawaii submitted comments.

Your Committee notes that no testimony, comments, or concerns on this measure were submitted by DOTAX.

Your Committee has amended this bill by:

(1) Changing both the percentage of the deduction of the gross proceeds of the county surcharge on state tax and dollar amount to reimburse the State for the costs of assessment, collection, and disposition of the county surcharge to unspecified amounts;

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- (2) Changing its effective date to July 1, 2020, to encourage further discussion; and
- Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 724, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 724, H.D. 1.

> Respectfully submitted on behalf of the members of the Committee on Finance,

State of Hawaii House of Representatives The Twenty-fourth Legislature



Record of Votes of the Committee on Finance

Bill/Resolution No.: #B 724	Date:	2/28	3/07	
Committee Referral: TRN, FIN	☐ The committee is reconsidering its previous decision on the measure.			
The recommendation is to: Pass, unamended	Pass, with amendments			
☐ Hold	Pass, with amendments, for recommittal for further consideration			
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	L			
2. LEE, Marilyn B. (VC)				
3. BELATTI, Della Au	~			
4. BROWER, Tom	V			
5. CARROLL, Mele				
6. CHONG, Pono	レ			· · · · · · · · · · · · · · · · · · ·
7. HANOHANO, Faye P.	ب ا			
8. HAR, Sharon E.	V			
9. MAGAOAY, Michael Y.				
10. MANAHAN, Joey	V			
11. MIZUNO, John				
12. NAKASONE, Bob	U			
13. RHOADS, Karl	V			
14. SAGUM, Roland D., III	V			3 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5
15. TOKIOKA, James Kunane	U			
16. AWANA, Karen Leinani	<u></u>			
17. MEYER, Colleen Rose				
18. WARD, Gene, Ph.D.	<u></u>			Line in the Wilson Land
TOTAL	16	O	0	2
The recommendation is: Adopted Not Adopted				
If joint referral,co	ommittee acronym(did not suppo 3. Lee	ort recommendation	
vice Chair's or designee's signature:	<i>U</i>			
Distribution: Original (White) – Committee Duplicate (Yellow) – HMSO Duplicate (Pink) – Clerk's Office				