

SB 1277

LATE

Department of Taxation

Position Summary

Senate Committee on Ways & Means/February 27, 2009 Agenda

Bill Number	Bill Title "Relating to..."	Position	Comments	Revenue Impact	Methodology
SB 37 SD 1	INTRA-COUNTY FERRY SERVICE	Opposed to revenue loss	No technical comments.	\$67,500 for FY 2010 and after.	There are two ferry companies that would be affected. Estimated gallonage was determined from the distance between the relevant harbors for each of the routes and the fuel use and price as reported in an article appearing in the Maui News on May 28, 2008 'PUC Rate Relief Sought by Molokai, Lanai Ferry Businesses'. An estimate of 421,646 gallons of fuel would be used per year at a price of \$4.00 per gallon before taxes. The GET exemption would cost the General Fund \$67,500 annually (=421,646 x 4.00 x 0.04).

* SB 1277 SD 1	HOUSING	<p>*Support for amendments to the low-income housing tax credit.</p> <p>*Opposed to mortgage interest credit</p> <p>*Opposed to unbudgeted conveyance tax increases</p> <p>*Opposed to unbudgeted rental housing trust fund increases</p>	No technical comments.	<p><u>Low-Income Housing Credit:</u> Annual revenue loss is estimated at \$1.3 million in FY2010, \$2.6 million in FY2011, \$3.2 million in FY2012, \$3.4 million in FY2013, \$3.7 million in FY2014 and \$3.9 million in FY2015.</p> <p><u>Conveyance Tax Allocation & Increase in Conveyance Tax:</u> Annual revenue gain is estimated at \$15.0 million for FY2010 and after.</p> <p><u>Mortgage Credit Certificates:</u> Annual revenue loss is estimated at \$4.0 million for FY2010 and after.</p> <p><u>Conveyance Tax Allocation & Increase in Conveyance Tax:</u> Gains starting in FY 2010, Land Conservation Fund increases \$10.0 million per year; Rental Housing Trust Fund increases \$48.0 million per year; Natural Area Reserve Fund increases \$18.0 million per year; Self-Help Housing Trust Fund (New) receives \$6.0 million per year.</p>	<p>Conveyance tax collection amounted to \$29.0 million in CY 2008. Estimated the new tax rates would increase conveyance tax collection to \$127.0 million per year.</p>
SB 1226 SD 1	TOURISM SPECIAL FUND	No position, but recognize the potential revenue gain.	No technical comments.	Indeterminate.	Amounts are blank.