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A BILL FOR AN ACT

RELATING TO GENERAL EXCISE TAXES.

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

1	SECTION 1. Chapter 237, Hawaii Revised Statutes, is			
2	amended by adding a new section to be appropriately designated			
3	and to read as follows:			
4	" <u>§237-</u> Exemption for food and medical services. (a)			
5	There shall be exempted from, and excluded from the measure of,			
6	the taxes imposed by this chapter all of the gross proceeds			
7	arising from the sale of food and medical services.			
8	(b) For the purposes of this section:			
9	"Food" means:			
10	(1) Any food or food product for home consumption			
11	purchased at a grocery store, market, or open market;			
12	(2) Seeds and plants for use in gardens to produce food			
13	for the personal consumption of the eligible			
14	household;			
15	(3) In the case of those persons who are sixty years of			
16	age or over or who receive supplemental security			
17	income benefits or disability or blindness payments			
18	under Title I, II, X, XIV, or XVI of the Social			
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	Security Act (42 U.S.C. 301 et seq., 401 et seq., 1201
	et seq., 1351 et seq., 1381 et seq.) and their
	spouses, meals prepared by and served in senior
	citizens' centers, apartment buildings occupied
	primarily by such persons, public or private nonprofit
	establishments (eating or otherwise) that feed
	persons, private establishments that contract with the
	appropriate agency of the State to offer meals for
	persons at concessional prices, and meals prepared for
	and served to residents of federally subsidized
	housing for the elderly;
(4)	In the case of persons sixty years of age or over and
	persons who are physically or mentally handicapped or
	otherwise so disabled that they are unable to
	otherwise so disabled that they are unable to adequately prepare all of their meals, meals prepared
	adequately prepare all of their meals, meals prepared
	adequately prepare all of their meals, meals prepared for and delivered to them (and their spouses) at their
	adequately prepare all of their meals, meals prepared for and delivered to them (and their spouses) at their home by a public or private nonprofit organization or
	adequately prepare all of their meals, meals prepared for and delivered to them (and their spouses) at their home by a public or private nonprofit organization or by a private establishment that contracts with the
(5)	adequately prepare all of their meals, meals prepared for and delivered to them (and their spouses) at their home by a public or private nonprofit organization or by a private establishment that contracts with the appropriate state agency to perform such services at
	<u>(4)</u>



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1		Social Security Act (42 U.S.C. 301 et seq., 401 et
2		seq., 1201 et seq., 1351 et seq., 1381 et seq.), who
3		are residents in a public or private nonprofit group
4		living arrangement that serves no more than sixteen
5		residents and is certified by the appropriate state
6		agency or agencies, meals prepared and served under
7		such arrangement;
8	(6)	In the case of women and children temporarily residing
9		in public or private nonprofit shelters for battered
10		women and children, meals prepared and served by such
11		shelters; and
12	(7)	In the case of households that do not reside in
13		permanent dwellings and households that have no fixed
14		mailing addresses, meals prepared for and served by a
15		public or private nonprofit establishment approved by
16		an appropriate state or local agency that feeds such
17		individuals and by private establishments that
18		contract with the appropriate agency of the State to
19		offer meals for such individuals at concessional
20		prices;
21	Prov	ided that "food" does not include alcoholic beverages

22 and tobacco, or hot food products ready for immediate



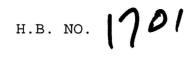
1	consumpti	on except for such products for individual households
2	listed in	paragraphs (3) to (7).
3	"Med	lical services" means:
4	(1)	Professional services provided by hospitals and
5		medical clinics and facilities that are licensed by
6		the appropriate state agencies, and services rendered
7		under chapters 436E, 442, 447, 448, 448B, 451A, 451J,
8		<u>452, 453, 453D, 455, 457, 457A, 457G, 458, 459, 461,</u>
9		461J, 463E, 465, 466J, and 468E; and
10	(2)	Over-the-counter or prescription drugs not already
11		exempt from taxation under this chapter by section
12		237-24.3(7)."
13	SECT	ION 2. This Act shall not apply to foods purchased in
14	restauran	ts or via restaurant delivery services other than those
15	services	specified in section 1 of this Act.
16	SECT	ION 3. New statutory material is underscored.
17	SECT	ION 4. This Act shall take effect upon its approval
18	and apply	to taxable years beginning after December 31, 2009.
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INTRODUCED BY:

mele Carrole

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Report Title: Food and Medical Products; Tax Exemption

Description:

Provides an exemption from general excise taxes on certain food and medical products.

