HB LRB 09-0801.doc

H.B. NO. 1744

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A BILL FOR AN ACT

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

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

1	SECTION 1. The purpose of this Act is to temporarily			
2	suspend the distribution of transient accommodations tax			
3	revenues to the counties.			
4	SECTION 2. Section 237D-6.5, Hawaii Revised Statutes, is			
5	amended to read as follows:			
6	"§237D-6.5 Remittances; distribution to counties. (a)			
7	All remittances of taxes imposed under this chapter shall be			
8	made by cash, bank drafts, cashier's check, money order, or			
9	certificate of deposit to the office of the taxation district to			
10	which the return was transmitted.			
11	(b) Revenues collected under this chapter shall be			
12	distributed as follows, with the excess revenues to be deposited			
13	into the general fund:			
14	(1) 17.3 per cent of the revenues collected under this			
15	chapter shall be deposited into the convention center			
16	enterprise special fund established under section			
17	201B-8; provided that beginning January 1, 2002, if			
18	the amount of the revenue collected under this			

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1		para	graph exceeds \$33,000,000 in any calendar year,	
2		revenues collected in excess of \$33,000,000 shall be		
3		depo	sited into the general fund;	
4	(2)	34.2	per cent of the revenues collected under this	
5		chap	ter shall be deposited into the tourism special	
6		fund established under section 201B-11 for tourism		
7		prom	otion and visitor industry research; provided that	
8		begi	nning on July 1, 2002, of the first \$1,000,000 in	
9		reve	nues deposited:	
10		(A)	Ninety per cent shall be deposited into the state	
11			parks special fund established in section 184-	
12			3.4; and	
13		(B)	Ten per cent shall be deposited into the special	
14			land and development fund established in section	
15			171-19 for the Hawaii statewide trail and access	
16			program;	
17		prov	ided that of the 34.2 per cent, 0.5 per cent shall	
18		be t	ransferred to a sub-account in the tourism special	
19		fund	to provide funding for a safety and security	
20		budg	et, in accordance with the Hawaii tourism	
21		stra	tegic plan 2005-2015; provided further that of the	
22		reve	nues remaining in the tourism special fund after	
		0001		



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revenues have been deposited as provided in this 1 paragraph and except for any sum authorized by the 2 3 legislature for expenditure from revenues subject to this paragraph, beginning July 1, 2007, funds shall be 4 deposited into the tourism emergency trust fund, 5 established in section 2018-10, in a manner sufficient 6 to maintain a fund balance of \$5,000,000 in the 7 tourism emergency trust fund; and 8 (3) Except as provided in subsection (d), 44.8 per cent of 9 10 the revenues collected under this chapter shall be 11 transferred as follows: Kauai county shall receive 12 14.5 per cent, Hawaii county shall receive 18.6 per 13 cent, city and county of Honolulu shall receive 44.1 14 per cent, and Maui county shall receive 22.8 per cent. 15 All transient accommodations taxes shall be paid into the 16 state treasury each month within ten days after collection and 17 shall be kept by the state director of finance in special accounts for distribution as provided in this subsection. 18 On or before January or July 1 of each year or after 19 (C) 20 the disposition of any tax appeal with respect to an assessment for periods after June 30, 1990, the state director of finance 21 shall compute and pay the amount due as provided in subsection 22



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(b) to the director of finance of each county to become a
general realization of the county expendable as such, except as
otherwise provided by law.
(d) Subsection (b)(3), with regard to transfer of revenues
to the counties, and subsection (c), with regard to computation
and payment to the counties, shall not be operative from July 1,
2009 to June 30, 2015. During the period that subsection (b)(3)
is not operative, the remainder of the revenues collected shall
be deposited into the state general fund."
SECTION 3. New statutory material is underscored.
SECTION 4. This Act shall take effect on July 1, 2009.
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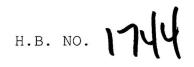
INTRODUCED BY:

Un dr. Day L JAN 2 8 2009

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Report Title:

Transient Accommodations Tax; Suspension of Distribution to Counties

Description:

Suspends for 6 years from 07/01/2009 to 06/30/2015 the distribution of transient accommodations tax revenues to the counties.

