Honolulu, Hawaii

May 5 , 2009

RE: H.B. No. 1404

H.D. 1 S.D. 1 C.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1404, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to make the general excise tax exemption amendments for timeshare operators and condominium submanagers permanent.

Your Committee on Conference has amended this bill by:

- (1) Establishing a cap of \$400,000 on amounts not taxable for:
 - (A) Managers, submanagers, or board of directors of an association of apartment owners or of certain nonprofit homeowners or community associations

pursuant to Section 237-24.3, Hawaii Revised Statutes (HRS); and

- (B) Hotel operators pursuant to Section 237-24.7, HRS.
- (2) Extending the general excise tax exemption amendments for timeshare operators and condominium submanagers by one year to December 31, 2010;
- (3) Making this measure effective upon its approval; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1404, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1404, H.D. 1, S.D. 1, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

ROSALYN H. BAKER, Chair

DONNA MERCADO KIM, Co-Chair

Hawaii State Legislature

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: 431484 HD1 5D1				Date/Time: 09 9:38 pm			
The recommendation of the House and Senate managers is to pass with amendments (CD).							
☐ The Committee is reconsidering its previous decision.							
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure				The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.			
Senate Managers	A	WR	N	Е		Е	
Sen. Baker, Chair Sen. Kim, Co-chair					Rep. M. OShiro, Chair		
Sen. Kim, Co-chail	V				Leg. Chong		
sen. Slom				V	Veg. Choy		
					Rep. Tokio Eq		
					Rep. Sard		
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TOTAL	2	0	Q	J	TOTAL 500	0	
A = Aye $WR = Aye$ with Reservations $N = Nay$ $E = Excused$							
					House Recommendation is:		
Adopted Not Adopted				Adopted Not Adopted			
Senate Lead Chair's or Designee's Signature:				House Lead Chair's or Designee's Signature:			
Distribution: Original Yellow Pink Goldenrod File with Conference Committee Report House Clerk's Office Senate Clerk's Office Drafting Agency							