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	increase the transient accommodations tax rate on resort time
3	share vacation units and to deposit the amount collected from
4	the increase into the general fund.
5	SECTION 2. Section 237D-2, Hawaii Revised Statutes, is
6	amended by amending subsection (d) to read as follows:
7	"(d) For resort time share vacation units:
8	(1) There is levied and shall be assessed and collected
9	each month[$ au$] on the occupant of a resort time share
10	vacation unit, a transient accommodations tax of 7.25
11	per cent on the fair market rental value $[\div]$; and
12	(2) For the period beginning July 1, 2011, to June 30,
13	2015, there is levied and shall be assessed and
14	collected each month on the occupant of a resort time
15	share vacation unit an additional on the fair
16	market rental value."
17	SECTION 3. Section 237D-6.5, Hawaii Revised Statutes, is
18	amended by amending subsection (b) to read as follows:

HB809 HD1 HMS 2011-1946

1	" (b)	Revenues collected under this chapter, except for
2	revenues	collected under section 237D-2(b) [$_{\tau}$] and (d)(2), shall
3	be distri	buted as follows, with the excess revenues to be
4	deposited	into the general fund:
5	(1)	17.3 per cent of the revenues collected under this
6		chapter shall be deposited into the convention center
7		enterprise special fund established under section
8		201B-8; provided that beginning January 1, 2002, if
9		the amount of the revenue collected under this
10		paragraph exceeds \$33,000,000 in any calendar year,
11		revenues collected in excess of \$33,000,000 shall be
12	•	deposited into the general fund;
13	(2)	34.2 per cent of the revenues collected under this
14		chapter shall be deposited into the tourism special
15		fund established under section 201B-11 for tourism
16		promotion and visitor industry research; provided that
17		[beginning]:
18		(A) Beginning on July 1, 2002, of the first
19		\$1,000,000 in revenues deposited:
20		$\left[\frac{A}{A}\right]$ (i) Ninety per cent shall be deposited into the
21		state parks special fund established in
22		section 184-3.4; and

1	[(B)] (ii) Ten per cent shall be deposited into the
2		special land and development fund
3		established in section 171-19 for the Hawaii
4		statewide trail and access program;
5	[pre	vided that of]
6	<u>(B)</u>	Of the 34.2 per cent, 0.5 per cent shall be
7		transferred to a sub-account in the tourism
8		special fund to provide funding for a safety and
. 9		security budget, in accordance with the Hawaii
10		tourism strategic plan 2005-2015; [provided
11		further that of]; and
12	<u>(C)</u>	Of the revenues remaining in the tourism special
13		fund after revenues have been deposited as
14		provided in this paragraph and except for any sum
15		authorized by the legislature for expenditure
16		from revenues subject to this paragraph,
17		beginning July 1, 2007, funds shall be deposited
18		into the tourism emergency trust fund,
19		established in section 201B-10, in a manner
20		sufficient to maintain a fund balance of
21		\$5,000,000 in the tourism emergency trust fund;
22		[and]

1	(3)	44.8 per cent of the revenues collected under this
2		chapter shall be transferred as follows: Kauai county
3		shall receive 14.5 per cent, Hawaii county shall
4		receive 18.6 per cent, city and county of Honolulu
5		shall receive 44.1 per cent, and Maui county shall
6		receive 22.8 per cent[+]; and
7	(4)	Revenues collected under [section]:
8		(A) Section 237D-2(b); and
9		(B) Section 237D-2(d)(2) from July 1, 2011 to June
10		<u>30, 2015;</u>
11		shall be deposited into the general fund.
12	All	transient accommodations taxes shall be paid into the
13	state tre	asury each month within ten days after collection and
14	shall be	kept by the state director of finance in special
15	accounts	for distribution as provided in this subsection."
16	SECT	ION 4. Statutory material to be repealed is bracketed
17	and stric	ken. New statutory material is underscored.
18	SECT	ION 5. This Act shall take effect on January 1, 2020.
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Report Title:

Time Share Units; Transient Accommodations Tax; Increase

Description:

Temporarily increases from July 1, 2011, to June 30, 2015 the transient accommodations tax rate on time share units. (HB809 HD1)

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