HOUSE OF REPRESENTATIVES TWENTY-SIXTH LEGISLATURE, 2011 STATE OF HAWAII

H.C.R. NO. 🕱

## HOUSE CONCURRENT RESOLUTION

## URGING THE GOVERNOR TO PRESERVE THE COUNTIES' SHARE OF THE TRANSIENT ACCOMMODATIONS TAX.

1 WHEREAS, the transient accommodations tax is a tax levied 2 by the State on the proceeds derived from furnishing transient 3 accommodations; and 4

5 WHEREAS, Act 185, Session Laws of Hawaii 1990, gave the 6 counties a share of the transient accommodations tax; and

8 WHEREAS, according to Conference Committee Report No. 207 9 (1990), the purpose of Act 185 was to provide a more equitable 10 method of sharing state revenues with the counties, rather than 11 continuing with the system that existed at the time whereby the 12 counties requested financial assistance through grants-in-aid 13 from the State; and

15 WHEREAS, the county share of the tax also provides more 16 stability to county finances and enables improved budgeting and 17 planning; and

19 WHEREAS, currently, 44.8% of the total transient 20 accommodations tax collected by the State is distributed to the 21 counties and, of this amount, the revenue is allocated as 22 follows:

24	Kauai County	14.5%
25	Hawaii County	18.6%
26	City and County of Honolulu	44.1%
27	Maui County	22.8%
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## H.C.R. NO. 8

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1 2 3 4 5 6 7 8 9	WHEREAS, on Kauai, the transient accommodations tax accounts for approximately 7.8% of Kauai's general fund budget; on Hawaii, the transient accommodations tax accounts for approximately 5.5% of Hawaii County's general fund budget; on Maui, the transient accommodations tax accounts for approximately 3.9% of Maui's general fund budget; and on Oahu, the transient accommodations tax accounts for approximately 3.2% of Honolulu's general fund budget; and
10 11 12 13 14	WHEREAS, maintaining the current allocation of the transient accommodations tax would allow the counties to continue providing essential government services to visitors and residents; and
14 15 16 17 18	WHEREAS, losing the current allocation of the transient accommodations tax would require counties to significantly raise property taxes; now, therefore,
19 20 21 22 23	BE IT RESOLVED by the House of Representatives of the Twenty-sixth Legislature of the State of Hawaii, Regular Session of 2011, the Senate concurring, that the Governor is urged to preserve the counties' share of the transient accommodations tax; and
24 25 26 27 28 29 30 21	BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, the President of the Hawaii State Association of Counties, and the Mayors of the counties of Kauai, Hawaii, Maui, and the City and County of Honolulu.
31 32	OFFERED BY. Calsing Day

OFFERED BY:

By Request

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