STAND. COM. REP. NO.

Honolulu, Hawaii cbran 14, 2013

RE: H.B. No. 1123 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 1123 entitled:

"A BILL FOR AN ACT RELATING TO LIQUOR TAX LAW,"

begs leave to report as follows:

The purpose of this measure is to assist small businesses producing beer by reducing the gallonage tax on the first 60,000 barrels of beer brewed or produced during a taxable year by a small brewery or brewpub in the State to \$0.23 per gallon of beer.

The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by changing the application date of the tax to taxable years beginning after January 20, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1123, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1123, H.D. 1, and be referred to the Committee on Finance.



STAND. COM. REP. NO. 416 Page 2

Respectfully submitted on behalf of the members of the Committee on Economic Development & Business,

CLIFT TSUJI, Chair



State of Hawaii House of Representatives The Twenty-seventh Legislature

Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: HB 1123	Committee Referral: EDB, FIN		Date: 2/8/13	
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: □ Pass, unamended (as is) □ Pass, with amendments (HD) □ Hold □ Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. TSUJI, Clift (C)				
2. WARD, Gene (VC)				
3. BROWER, Tom				
4. CACHOLA, Romy M.				
5. CHOY, Isaac W.				
6. OHNO, Takashi				
7. ONISHI, Richard H.K.				
8. TAKAYAMA, Gregg				
9. TOKIOKA, James Kunane				
TOTAL (9)	7	0	0	
The recommendation is: Adopted If joint referral did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				