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## A BILL FOR AN ACT

RELATING TO TAXATION.

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

1           SECTION 1. Section 237D-2, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§237D-2 Imposition and rates.** (a) There is levied and  
4 shall be assessed and collected each month a tax of:

5           (1) Five per cent for the period beginning on January 1,  
6           1987, to June 30, 1994;

7           (2) Six per cent for the period beginning July 1, 1994, to  
8           December 31, 1998; and

9           (3) 7.25 per cent for the period beginning on January 1,  
10           1999, and thereafter;

11 on the gross rental or gross rental proceeds derived from  
12 furnishing transient accommodations.

13           (b) There is levied and shall be assessed and collected  
14 each month an additional:

15           (1) One per cent for the period beginning July 1, 2009, to  
16           June 30, 2010; and

17           (2) Two per cent for the period beginning July 1, 2010,  
18           ~~[to June 30, 2015;]~~ and thereafter;



1 on the gross rental or gross rental proceeds derived from  
2 furnishing transient accommodations. The rate levied and  
3 assessed under this subsection shall be additional to the rate  
4 levied and assessed under subsection (a)(3).

5 (c) There is levied and shall be assessed and collected  
6 each month a daily tax of \$10 for every transient accommodation  
7 that is furnished on a complimentary or gratuitous basis, or  
8 otherwise at no charge, including transient accommodations  
9 furnished as part of a package.

10 (d) Every operator shall pay to the State the tax imposed  
11 by subsections (a), (b), and (c), as applicable, as provided in  
12 this chapter.

13 (e) There is levied and shall be assessed and collected  
14 each month, on the occupant of a resort time share vacation  
15 unit, a transient accommodations tax of 7.25 per cent on the  
16 fair market rental value.

17 (f) Every plan manager shall be liable for and pay to the  
18 State the transient accommodations tax imposed by subsection (e)  
19 as provided in this chapter. Every resort time share vacation  
20 plan shall be represented by a plan manager who shall be subject  
21 to this chapter."



1 SECTION 2. Act 61, Session Laws of Hawaii 2009, is amended  
2 by amending section 4 to read as follows:

3 "SECTION 4. This Act shall take effect on July 1, 2009[  
4 ~~and shall be repealed on June 30, 2015; provided that sections~~  
5 ~~237D-2 and 237D-6.5, Hawaii Revised Statutes, shall be reenacted~~  
6 ~~in the form in which they read on June 30, 2009]."~~

7 SECTION 3. Act 103, Session Laws of Hawaii 2011, is  
8 amended by amending section 4 to read as follows:

9 "SECTION 4. This Act shall take effect on July 1, 2011[  
10 ~~provided that section 2 of this Act shall be repealed on June~~  
11 ~~30, 2015, and section 237D-6.5, Hawaii Revised Statutes, shall~~  
12 ~~be reenacted in the form in which it read on June 30, 2009,~~  
13 ~~pursuant to Act 61, Session Laws of Hawaii 2009]."~~

14 SECTION 4. Act 243, Session Laws of Hawaii 2012, is  
15 amended by amending section 5 to read as follows:

16 "SECTION 5. This Act shall take effect on July 1, 2012[  
17 ~~provided that the amendments made to section 237D-6.5(b), Hawaii~~  
18 ~~Revised Statutes, by section 2 of this Act shall not be repealed~~  
19 ~~on June 30, 2015, when section 237D-6.5, Hawaii Revised~~  
20 ~~Statutes, is reenacted pursuant to Act 61, Session Laws of~~  
21 ~~Hawaii 2009, and Act 103, Session Laws of Hawaii 2011]."~~

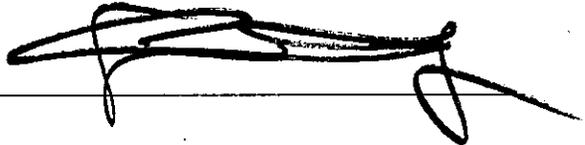


1 SECTION 5. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY: \_\_\_\_\_

A handwritten signature in black ink, appearing to be a stylized name, written over a horizontal line.

JAN 24 2013



# H.B. NO. 1359

**Report Title:**

Taxation; Transient Accommodations Tax; Sunset Provision; Repeal

**Description:**

Makes permanent the additional increase on the gross rental or gross rental proceeds derived from furnishing transient accommodations and the requirement that the revenues collected be deposited into the general funds.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

