
A BILL FOR AN ACT

RELATING TO TRANSIENT ACCOMMODATIONS TAX.

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

1 SECTION 1. Section 237D-6.5, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) Revenues collected under this chapter shall be
4 distributed as follows; with the excess revenues to be deposited
5 into the general fund:

6 (1) \$33,000,000 shall be allocated to the convention
7 center enterprise special fund established under
8 section 201B-8;

9 (2) \$82,000,000 shall be allocated to the tourism special
10 fund established under section 201B-11; provided that:

11 (A) Beginning on July 1, 2012, and ending on June 30,
12 2015, \$2,000,000 shall be expended from the
13 tourism special fund for development and
14 implementation of initiatives to take advantage
15 of expanded visa programs and increased travel
16 opportunities for international visitors to
17 Hawaii;

18 (B) Of the \$82,000,000 allocated:



- 1 (i) \$1,000,000 shall be allocated for the
2 operation of a Hawaiian center and the
3 museum of Hawaiian music and dance at the
4 Hawaii convention center; and
- 5 (ii) 0.5 per cent of the \$82,000,000 shall be
6 transferred to a sub-account in the tourism
7 special fund to provide funding for a safety
8 and security budget, in accordance with the
9 Hawaii tourism strategic plan 2005-2015; and
- 10 (C) Of the revenues remaining in the tourism special
11 fund after revenues have been deposited as
12 provided in this paragraph and except for any sum
13 authorized by the legislature for expenditure
14 from revenues subject to this paragraph,
15 beginning July 1, 2007, funds shall be deposited
16 into the tourism emergency trust fund,
17 established in section 201B-10, in a manner
18 sufficient to maintain a fund balance of
19 \$5,000,000 in the tourism emergency trust fund;
- 20 (3) [~~\$93,000,000~~] 44.8 per cent of the revenues collected
21 under this chapter shall be allocated as follows:
22 Kauai county shall receive 14.5 per cent, Hawaii



1 county shall receive 18.6 per cent, city and county of
2 Honolulu shall receive 44.1 per cent, and Maui county
3 shall receive 22.8 per cent; provided that commencing
4 with fiscal year 2018-2019, a sum that represents the
5 difference between a county public employer's annual
6 required contribution for the separate trust fund
7 established under section 87A-42 and the amount of the
8 county public employer's contributions into that trust
9 fund shall be retained by the state director of
10 finance and deposited to the credit of the county
11 public employer's annual required contribution into
12 that trust fund in each fiscal year, as provided in
13 section 87A-42, if the respective county fails to
14 remit the total amount of the county's required annual
15 contributions, as required under section 87A-43; and
16 (4) Of the excess revenues deposited into the general fund
17 pursuant to this subsection, \$3,000,000 shall be
18 allocated subject to the mutual agreement of the board
19 of land and natural resources and the board of
20 directors of the Hawaii tourism authority in
21 accordance with the Hawaii tourism authority strategic
22 plan for:



1 (A) The protection, preservation, and enhancement of
2 natural resources important to the visitor
3 industry;

4 (B) Planning, construction, and repair of facilities;
5 and

6 (C) Operation and maintenance costs of public lands
7 connected with enhancing the visitor experience.

8 All transient accommodations taxes shall be paid into the
9 state treasury each month within ten days after collection and
10 shall be kept by the state director of finance in special
11 accounts for distribution as provided in this subsection.

12 As used in this subsection, "fiscal year" means the twelve-
13 month period beginning on July 1 of a calendar year and ending
14 on June 30 of the following calendar year."

15 SECTION 2. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 3. This Act shall take effect on July 1, 2050.



Report Title:

Transient Accommodations Tax; Counties; Revenues

Description:

Removes the current cap on transient accommodations tax revenues to be distributed to the counties and establishes the distribution of these revenues as a percentage of TAT collected. Effective July 1, 2050. (HB1671 HD1)

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