

MAR 11 2016

SENATE RESOLUTION

REQUESTING THE DEPARTMENT OF TAXATION TO CONDUCT A STUDY ON
WHETHER A STATE LUXURY TAX WOULD BE BENEFICIAL TO HELP WITH
ISSUES SUCH AS AFFORDABLE HOUSING, HOMELESSNESS, AND
EDUCATION COSTS.

1 WHEREAS, in the history of the United States, luxury taxes
2 have been levied frequently to raise revenue; and
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4 WHEREAS, a progressive tax system acts as a tool for
5 redistributing income from the upper class to lower and middle
6 classes and helps keep the income gap from growing wider between
7 the rich and the poor; and
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9 WHEREAS, a program of consumption taxes carefully targeted
10 at luxury goods is a simple, reasonable way for society at large
11 to recapture some of the massively asymmetrical spending power
12 of society's most wealthy; and
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14 WHEREAS, distinguishing essential goods from luxury goods
15 is a critical part of creating a workable progressive tax system
16 that ensures that most of the tax burden falls on consumers who
17 can afford to pay more, rather than on less fortunate consumers;
18 and
19

20 WHEREAS, luxury taxes can help the government to collect
21 money from those who can afford to pay and use it to find
22 solutions for widespread societal challenges, such as lack of
23 affordable housing, homelessness, and a struggling public
24 education system, and society as a whole benefits from this
25 investment; now, therefore,
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27 BE IT RESOLVED by the Senate of the Twenty-eighth
28 Legislature of the State of Hawaii, Regular Session of 2016,
29 that the Department of Taxation is requested to conduct a study
30 on whether a state luxury tax would be beneficial to help with



1 issues such as lack of affordable housing, homelessness, and
2 adequately funding public education costs; and
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4 BE IT FURTHER RESOLVED that the Department of the Attorney
5 General, the Department of Budget and Finance, and the Council
6 on Revenues are requested to assist the Department of Taxation
7 by providing information and data necessary for the study; and
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9 BE IT FURTHER RESOLVED that the Department of Taxation is
10 requested to submit a report of its study, including findings,
11 recommendations, and any proposed legislation, to the
12 Legislature no later than twenty days prior to the commencement
13 of the 2017 Regular Session; and
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15 BE IT FURTHER RESOLVED that certified copies of this
16 Resolution be transmitted to the Director of Taxation, Attorney
17 General, Director of Finance, and the Chair of the Council on
18 Revenues.
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OFFERED BY: _____

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By Request

