

Honolulu, Hawaii Apiil 25 , 2016 RE: S.C.R. No. 138 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.C.R. No. 138 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE TAX REVIEW COMMISSION TO EVALUATE THE IMPACTS OF GENERAL EXCISE AND USE TAX INCREASES PROPOSED DURING THE REGULAR SESSION OF 2016,"

begs leave to report as follows:

The purpose of this measure is to request that the Tax Review Commission evaluate the impacts of general excise and use tax increases proposed during the regular session of 2016.

Your Committee received comments on this measure from the Department of Taxation.

Your Committee has amended this measure by:

(1) Amending its title to read "REQUESTING THE TAX REVIEW COMMISSION TO EVALUATE THE IMPACTS OF GENERAL EXCISE AND USE TAX INCREASES PROPOSED DURING THE REGULAR SESSION OF 2016 AND GENERAL EXCISE TAX PYRAMIDING AS APPLIED TO TRANSIENT ACCOMMODATIONS";

(2) Inserting provisions detailing tax pyramiding within the State's general excise and transient accommodations tax framework; including how it relates to the sublease deduction enacted by Act 353, Session Laws of Hawaii 1997;



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(3) Requesting the Tax Review Commission to analyze whether the sublease deduction pursuant to section 237-16.5, Hawaii Revised Statutes, should also be applied to transient accommodations; and

(4) Making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 138, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 138, H.D. 1.

> Respectfully submitted on behalf of the members of the Committee on Finance,



## State of Hawaii House of Representatives The Twenty-eighth Legislature

## Record of Votes of the Committee on Finance

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Bill/Resolution No.:	Committee Referral: FIN		Date: 04/22/16	
SCR138				
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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)				
2. NISHIMOTO, Scott Y. (VC)				
3. CACHOLA, Romy M.			и т -	
4. CULLEN, Ty J.K.				
5. DeCOITE, Lynn				
6. JOHANSON, Aaron Ling				
7. JORDAN, Jo				
8. KEOHOKALOLE, Jarrett				
9. KOBAYASHI, Bertrand				
10. LoPRESTI, Matthew S.				
11. LOWEN, Nicole E.				
12. ONISHI, Richard H.K.				
13. TOKIOKA, James Kunane				
14. YAMASHITA, Kyle T.				
15. POUHA, Feki				
16. WARD, Gene				
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TOTAL (16)	. 17,			4
The recommendation is: Ado	opted 🖸 Not Adopt	ed		
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				