
A BILL FOR AN ACT

RELATING TO EXEMPTION FROM TAXATION OF FOOD PRODUCT SALES BY
YOUTH ORGANIZATIONS.

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

1 SECTION 1. Section 237-23, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) The exemptions enumerated in subsection (a) (3) to (7)
4 shall apply only:

5 (1) To those persons who shall have registered with the
6 department of taxation by filing a written application
7 for registration in such form as the department shall
8 prescribe, shall have paid the registration fee of
9 \$20, and shall have had the exemption allowed by the
10 department or by a court or tribunal of competent
11 jurisdiction upon appeal from any assessment resulting
12 from disallowance of the exemption by the department;

13 (2) To activities from which no profit inures to the
14 benefit of any private stockholder or individual,
15 except for death or other benefits to the members of
16 fraternal societies; and



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1 (3) To the fraternal, religious, charitable, scientific,
 2 educational, communal, or social welfare activities of
 3 such persons, or to the activities of hospitals,
 4 infirmaries, sanitarium, and potable water companies,
 5 as such, and not to any activity the primary purpose
 6 of which is to produce income even though the income
 7 is to be used for or in furtherance of the exempt
 8 activities of ~~[such]~~ those persons[-]; provided that
 9 the exemption in subsection (a)(4) shall also apply to
 10 the sale of food products for human consumption by the
 11 Girl Scouts of the United States of America and the
 12 Boy Scouts of America and the local affiliates thereof
 13 if the profits from those sales are used exclusively
 14 in furtherance of the purposes of the selling
 15 organization."

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 Statutory material to be repealed is bracketed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

18 SECTION 3. This Act shall take effect on July 1, 2017.

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INTRODUCED BY:

John M. [Signature]
[Signature]
Cindy Erano
 JAN 24 2017



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Report Title:

Taxation; Excise Tax; Exemptions; Sale of Food Products by Youth Organizations

Description:

Amends general excise tax exemptions to include sales of food products by the Girl Scouts of the United States of America and the Boy Scouts of America provided that profits from those sales are used exclusively to further the purposes of the organization.

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