
A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. Section 201H-36, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) In accordance with section 237-29, the corporation
4 may approve and certify for exemption from general excise taxes
5 any qualified person or firm involved with a newly constructed,
6 or moderately or substantially rehabilitated project:

7 (1) Developed under this part;

8 (2) Developed under a government assistance program
9 approved by the corporation, including but not limited
10 to the United States Department of Agriculture 502
11 program and Federal Housing Administration 235
12 program;

13 (3) Developed under the sponsorship of a private nonprofit
14 organization providing home rehabilitation or new
15 homes for qualified families in need of decent, low-
16 cost housing;



1 (4) Developed by a qualified person or firm to provide
2 affordable rental housing where at least fifty per
3 cent of the available units are for households with
4 incomes at or below eighty per cent of the area median
5 family income as determined by the United States
6 Department of Housing and Urban Development, of which
7 at least twenty per cent of the available units are
8 for households with incomes at or below sixty per cent
9 of the area median family income as determined by the
10 United States Department of Housing and Urban
11 Development; or

12 (5) ~~[Effective from July 1, 2018, to June 30, 2022,~~
13 ~~developed]~~ Developed under a contract described in
14 section 104-2(i)(2) by a qualified person or firm to
15 provide affordable rental housing[+] through new
16 construction or substantial rehabilitation, and
17 approved or certified by the corporation after July 1,
18 2018, but not after June 30, 2026; provided that[+]

19 ~~(A) The allowable general excise tax and use tax~~
20 ~~costs shall apply to contracting only and shall~~
21 ~~not exceed \$7,000,000 per year in the aggregate~~



1 ~~for all projects approved and certified by the~~
2 ~~corporation; and~~

3 (B) ~~All]~~ all available units are for households with
4 incomes at or below one hundred forty per cent of
5 the area median family income as determined by
6 the United States Department of Housing and Urban
7 Development, of which at least twenty per cent of
8 the available units are for households with
9 incomes at or below eighty per cent of the area
10 median family income as determined by the United
11 States Department of Housing and Urban
12 Development ~~[-]~~; provided further that an owner
13 shall not refuse to lease a dwelling unit in the
14 project to a qualified applicant because the
15 applicant holds a voucher or certificate of
16 eligibility under section 8 of the United States
17 Housing Act of 1937, as amended."

18 SECTION 2. Act 54, Session Laws of Hawaii 2017, is amended
19 by amending section 5 to read as follows:

20 "SECTION 5. This Act shall take effect on July 1, 2017,
21 and shall ~~[be repealed on June 30, 2022; provided that:~~



1 ~~(1)~~ ~~Section]~~ not apply to projects certified or approved
2 after June 30, 2026; provided that section 3 of this
3 Act shall apply to taxable years beginning after
4 December 31, 2017 [~~and~~

5 ~~(2)~~ ~~Section 104-2, Hawaii Revised Statutes, and section~~
6 ~~201H-36, Hawaii Revised Statutes, shall be reenacted~~
7 ~~in the form in which they read on the day before the~~
8 ~~effective date of this Act]."~~

9 SECTION 3. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

Rental Housing Projects; General Excise Tax Exemption; Section 8
Housing Choice Vouchers

Description:

Extends the general excise tax exemption for certain affordable rental housing projects from June 30, 2022, to June 30, 2026. Removes the statutory cap for the exemption. Prohibits housing owners from refusing to lease a dwelling unit to a holder of a Section 8 Housing Choice Voucher Program voucher or certificate of eligibility. (SB2757 HD1)

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