

JAN 24 2018

A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Section 237-1, Hawaii Revised Statutes, is
2 amended by adding a new definition to be appropriately inserted
3 and to read as follows:

4 "Marketplace provider" means any person who sells or
5 assists in the sale of tangible personal property on behalf of
6 another seller and who provides customer service, processes
7 payments, and controls the fulfillment process."

8 SECTION 2. Section 237-2, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "§237-2 "Business", "engaging" in business, defined. As
11 used in this chapter:

12 "Business" includes all activities (personal, professional,
13 or corporate) engaged in or caused to be engaged in with the
14 object of gain or economic benefit either direct or indirect,
15 without regard to physical presence in the State, but does not
16 include casual sales. A person with no physical presence in the
17 State is engaged in business in this State if, in any year, the



1 person has gross receipts attributable to transactions in this
2 State totaling \$100,000 or more. Gross receipts attributable to
3 transactions in this State include gross receipts from sales
4 that, but for the seller's lack of physical presence, would be
5 taxable under this chapter and are facilitated by a marketplace
6 provider that is engaged in business in this State.

7 "Engaging", with reference to engaging or continuing in
8 business, includes the exercise of corporate or franchise
9 powers."

10 SECTION 3. If any provision of this Act, or the
11 application thereof to any person or circumstance, is held
12 invalid, the invalidity does not affect other provisions or
13 applications of the Act that can be given effect without the
14 invalid provision or application, and to this end the provisions
15 of this Act are severable.

16 SECTION 4. New statutory material is underscored.

17 SECTION 5. This Act shall take effect on July 1, 2018.

18 INTRODUCED BY:

Michelle Indani

Donna L. L. L.

Stacy L.
Marine L. L. L. 2



S.B. NO. 2890

Report Title:

GET; Marketplace Provider

Description:

Amends the general excise tax law by adding a definition for "marketplace provider." Provides that a person with no physical presence in the State shall be considered to be engaged in business in the State if, in any year, the person has gross receipts attributable to transactions in the State totaling \$100,000 or more.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

