
A BILL FOR AN ACT

RELATING TO GENERAL EXCISE TAX LICENSES.

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

1 SECTION 1. Section 237-9, Hawaii Revised Statutes, is
2 amended by amending subsections (a) and (b) to read as follows:
3 "(a) Except as provided in this section, any person who
4 has a gross income or gross proceeds of sales or value of
5 products upon which a privilege tax is imposed by this chapter,
6 as a condition precedent to engaging or continuing in such
7 business, shall in writing apply for and obtain from the
8 department of taxation, upon [~~a one-time~~] an initial payment of
9 the sum of \$20, a license to engage in and to conduct such
10 business, upon condition that the person shall pay the taxes
11 accruing to the State under this chapter, and the person shall
12 thereby be duly licensed to engage in and conduct the business.
13 The license provided for by this section shall be valid for a
14 period of two years and renewable biennially. The license shall
15 not be transferable and shall be valid only for the person in
16 whose name it is issued and for the transaction of business at
17 the place designated therein. The license may be inspected and



1 examined, and shall at all times be conspicuously displayed at
2 the place for which it is issued.

3 (b) Licenses, license renewals, and applications therefor
4 shall be in such form as the department shall prescribe, except
5 that where the licensee is engaged in two or more forms of
6 business of different classification, the license shall so state
7 on its face. [~~The license provided for by this section shall be~~
8 ~~effective until canceled in writing.~~] Any application for the
9 reissuance of a previously canceled license identification
10 number after December 31, 1989, shall be regarded as a new
11 license application and subject to the payment of the [~~one-time~~]
12 license fee of \$20. The department may charge a fee of no more
13 than \$20 for license renewals and may require license renewals
14 to be submitted in an electronic form. The director may revoke
15 or cancel any license issued under this chapter for cause as
16 provided by rules adopted pursuant to chapter 91."

17 SECTION 2. Existing general excise tax licenses issued and
18 in effect before January 1, 2022, shall be subject to the
19 renewal requirements beginning in 2022; provided that the
20 department of taxation shall not charge a fee for the renewal
21 required by this Act at that time. The department of taxation



1 shall prescribe the date or dates on which general excise tax
2 license renewals will be required.

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

5 SECTION 4. This Act shall take effect upon approval;
6 provided that the renewal fees pursuant to this Act shall not be
7 imposed before January 1, 2022.



Report Title:

Taxes; General Excise Tax Licenses

Description:

Beginning 1/1/2022, requires that any general excise tax license issued under section 237-9, Hawaii Revised Statutes, be renewed biennially. Allows the department of taxation to charge a fee for biennial renewals. Allows the department of taxation to require electronic biennial renewals. (SD1)

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