STAND. COM. REP. NO.

870

Honolulu, Hawaii MAR 05, 2021

RE: H.B. No. 1043 H.D. 3

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1043, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS TAX,"

begs leave to report as follows:

The purpose of this measure is to amend chapter 237D, Hawaii Revised Statutes, relating to the transient accommodations tax by:

- Repealing the misdemeanor criminal penalty for failing to register under that chapter and replacing it with a monetary fine structure;
- (2) Replacing references to operator or plan manager with person or taxpayer;
- (3) Clarifying that a certificate of registration is required for persons who post advertisements for the furnishing of a transient accommodation;
- (4) Making the personal liability provision under the general excise tax law applicable to the transient accommodations tax; and
- (5) Making various other technical amendments.



STAND. COM. REP. NO. 870 Page 2

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee has amended this measure by:

- (1) Deleting language that would have amended the definition
   of "operator";
- (2) Clarifying the application of the transient accommodations tax to transient accommodations platforms in the State; and
- (3) Making technical, nonsubstantive amendments for the purposes of 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 is in accord with the intent and purpose of H.B. No. 1043, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1043, H.D. 3.

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

Chair UKE.



State of Hawaii House of Representatives The Thirty-first Legislature

## **Record of Votes of the Committee on Finance**

|   | ttee Referral:<br>$\Gamma, ECD, FI$ | Date: | 3-2-20    | 021     |
|---|-------------------------------------|-------|-----------|---------|
| <ul> <li>The committee is reconsidering its previous decision on the measure.</li> <li>The recommendation is to:         <ul> <li>Pass, unamended (as is)</li> <li>Pass, with amendments (HD)</li> <li>Hold</li> <li>Pass short form bill with HD to recommit for future public hearing (recommit)</li> </ul> </li> </ul> |                                     |       |           |         |
|   |                                     |       |           |         |
| 1. LUKE, Sylvia (C)   |                                     |       |           |         |
| 2. CULLEN, Ty J.K. (VC)   |                                     |       |           |         |
| 3. BRANCO, Patrick Pihana   |                                     | · .   | ·<br>·    |         |
| 4. ELI, Stacelynn K.M.  |                                     |       |           |         |
| 5. HOLT, Daniel   |                                     |       |           |         |
| 6. ILAGAN, Greggor  | <u> </u>                            |       |           |         |
| 7. KOBAYASHI, Bertrand  |                                     |       | · . · · · |         |
| 8. MARTEN, Lisa   |                                     |       |           |         |
| 9. NISHIMOTO, Scott Y.  |                                     |       |           |         |
| 10. PERRUSO, Amy A.   |                                     |       |           |         |
| 11. SAYAMA, Jackson D.  |                                     |       | ·         |         |
| 12. TAM, Adrian K.  |                                     |       |           |         |
| 13. WILDBERGER, Tina  |                                     |       |           |         |
| 14. YAMASHITA, Kyle T.  |                                     |       |           |         |
| 15. McDERMOTT, Bob  |                                     |       |           | · · · · |
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| TOTAL (15)  | 15                                  | Ø     | Ø         | Ø       |
| The recommendation is:       I Adopted       Not Adopted         If joint referral,   |                                     |       |           |         |
| Vice Chair's or designee's signature:   |                                     |       |           |         |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO  |                                     |       |           |         |