

JAN 27 2021

A BILL FOR AN ACT

RELATING TO TAX RELIEF.

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

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§235- Wagering winnings; waiver. (a) Beginning on
5 January 1, 2022, upon payment of a \$ _____ fee, an
6 individual taxpayer may acquire from the department of taxation
7 a written waiver that exempts the taxpayer from reporting as
8 taxable income all wagering or gambling winnings that were
9 legally acquired by the taxpayer outside of the State, that
10 would have been otherwise reportable under this chapter, and
11 that were accrued during the period of the waiver; provided
12 that:

13 (1) No waiver to exempt taxpayers under this section shall
14 be issued until the department of taxation has adopted
15 rules pursuant to subsection (d);



1 (2) The waiver shall be valid for a specific consecutive
2 five-day period during the taxable year to which the
3 waiver applies;

4 (3) Waivers for multiple five-day periods may be acquired;

5 (4) The \$ fee shall apply to each waiver;

6 (5) The waiver shall be acquired by the taxpayer at least
7 twenty-four hours before the commencement of the
8 period during which the waiver is effective; and

9 (6) The waiver shall apply to an individual taxpayer,
10 regardless of whether the taxpayer itemizes tax
11 deductions.

12 (b) A waiver shall not be transferrable and shall not be
13 combined with any other waiver acquired by any other taxpayer.

14 (c) Waivers shall be acquired and paid for by credit card
15 on the department of taxation website or on other secure
16 internet-based systems established by the department.

17 (d) The department of taxation shall adopt rules pursuant
18 to chapter 91 to effectuate this section; provided that the
19 rules shall take effect no later than January 1, 2022."

20 SECTION 2. New statutory material is underscored.



S.B. NO. 954

1 SECTION 3. This Act, upon its approval, shall apply to
2 taxable years beginning after December 31, 2021.

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INTRODUCED BY: *Clerena K. Quishicura*



S.B. NO. 954

Report Title:

Wagering Winnings; Tax Exemption; Waiver Program

Description:

Establishes a waiver program where for a fee a taxpayer may exempt from income taxation gambling winnings legally acquired outside of the State during a consecutive 5-day period, beginning 01/01/22.

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

