

JAN 21 2022

S.B. NO. 2309

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# A BILL FOR AN ACT

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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, 2023, 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       acquired by the taxpayer legally 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       or other secure electronic means on the department of taxation  
16       website or on other secure internet-based systems established by  
17       the department.

18       (d) The department of taxation shall adopt rules pursuant  
19       to chapter 91 to effectuate this section; provided that the  
20       rules shall take effect no later than January 1, 2023."

21       SECTION 2. New statutory material is underscored.



1           SECTION 3. This Act, upon its approval, shall apply to  
2 taxable years beginning after December 31, 2022.

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INTRODUCED BY: Clarence K. Rushkoff



# S.B. NO. 2309

**Report Title:**

Wagering Winnings; Tax Exemption; Waiver Program

**Description:**

Establishes a waiver program to exempt from income taxation gambling winnings legally acquired outside of the State during a consecutive five-day period, beginning 01/01/2023.

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

