

JAN 21 2022

A BILL FOR AN ACT

RELATING TO THE GENERAL EXCISE TAX.

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

1 SECTION 1. Section 209E-11, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§209E-11 State general excise exemptions.** The department
4 shall certify annually to the department of taxation that any
5 qualified business is exempt from the payment of general excise
6 taxes on the gross proceeds from an eligible business activity
7 as defined in this chapter; provided that agricultural
8 businesses [~~other than those engaged in the production of~~
9 ~~genetically engineered agricultural products~~] shall not be
10 exempt from the payment of general excise taxes on the gross
11 proceeds of agricultural retail sales. The gross proceeds
12 received by a contractor licensed under chapter 444 shall be
13 exempt from the general excise tax for construction within an
14 enterprise zone performed for a qualified business within an
15 enterprise zone or a business that has been approved by the
16 department to enroll into the enterprise zone program. The
17 exemption shall extend for a period not to exceed seven years;



1 provided that for qualified businesses engaged in the
2 manufacturing of tangible personal property or the producing or
3 processing of agricultural products, the exemption shall extend
4 for a period not to exceed ten years; provided further that if a
5 force majeure event occurs, then the period of time shall be
6 tolled until the force majeure event ceases."

7 SECTION 2. Statutory material to be repealed is bracketed
8 and stricken.

9 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

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S.B. NO. 2509

Report Title:

General Excise Tax; Genetically Engineered Agricultural Products; Exemptions

Description:

Repeals an exemption to the general excise tax for genetically engineered agricultural products.

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