
A BILL FOR AN ACT

RELATING TO GENERAL EXCISE TAX EXEMPTIONS.

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

1 SECTION 1. The legislature finds that Hawaii has the
2 highest cost of living in the nation. The general excise tax is
3 levied on nearly all economic activity, which creates a highly
4 regressive tax system by disproportionately affecting low-income
5 and middle-class families as a percentage of total
6 income. Although businesses are required to pay general excise
7 taxes out of their gross receipts, those taxes are passed on to
8 customers in the form of higher prices.

9 Because the general excise tax affects almost all areas of
10 economic activity, it can make it difficult for average families
11 to afford basic life expenses. The purpose of this Act is to
12 help alleviate the general excise tax burden on local households
13 by exempting feminine hygiene products.

14 SECTION 2. Chapter 237, Hawaii Revised Statutes, is
15 amended by adding a new section to be appropriately designated
16 and to read as follows:

17 "§237- Exemption for feminine hygiene products. (a) There
18 shall be exempted from, and excluded from the measure of, the



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1 taxes imposed by this chapter all of the gross proceeds arising
2 from the sale of feminine hygiene products.

3 (b) As used in this section, "feminine hygiene product"
4 means: a sanitary napkin, sanitary towel, tampon, panty liner,
5 douche, feminine hygiene syringes, menstrual cup, sanitary pad,
6 or vaginal creams, foams, ointments, jellies, powders, and
7 sprays used for hygiene purposes."

8 SECTION 3. In codifying the new section added by section 2
9 of this Act, the revisor of statutes shall substitute
10 appropriate section numbers for the letters used in designating
11 the new sections in this Act.

12 SECTION 4. New statutory material is underscored.

13 SECTION 5. This act shall take effect upon its approval
14 and shall apply to taxable years beginning after December 31,
15 2023.

INTRODUCED BY:


JAN 24 2023



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Report Title:

General Excise Tax; Feminine Hygiene Products, Exemption

Description:

Exempts feminine hygiene products from the general excise tax.

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