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

4 "§237-_____ Monthly tax holiday; small businesses. (a)
5 Notwithstanding any law to the contrary, taxes under this
6 chapter shall not be due on any gross proceeds of sales made or
7 gross income earned by any small business in the State on the
8 first Saturday of each month during the period beginning at
9 12:01 a.m. and ending at 12:00 midnight; provided that all
10 savings generated by this section shall be passed on by the
11 seller to the purchaser. This exemption shall not apply to
12 sales on goods that will be resold in any manner.

13 (b) The exemption provided in this section shall not apply
14 to:

15 (1) Rebates, layaway sales, rain checks, or exchanges when
16 the exchanges occur before or after the tax holiday
17 period; or



1 (2) Items purchased via the internet, telephone, or mail-
2 order.

3 (c) A taxpayer shall not be required to obtain any special
4 license, permit, or other documentation during the exemption
5 holiday period; provided that the taxpayer's records shall
6 clearly identify the type of goods or services sold, the date of
7 sale, and the price of goods or services sold.

8 (d) For the purposes of this section, "small business"
9 means a for-profit corporation, limited liability company,
10 partnership, limited partnership, sole proprietorship, or other
11 legal entity that:

12 (1) Is domiciled and authorized to do business in Hawaii;

13 (2) Is independently owned and operated; and

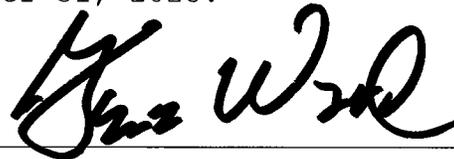
14 (3) Employs fewer than fifty employees in Hawaii."

15 SECTION 2. New statutory material is underscored.

16 SECTION 3. This Act, upon its approval, shall apply to
17 taxable years beginning after December 31, 2025.

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INTRODUCED BY:



JAN 17 2025



H.B. NO. 522

Report Title:

Small Business Caucus Package; GET; Tax Holiday; Monthly;
Saturdays

Description:

Establishes a general excise tax holiday on the first Saturday
of each month for small businesses within the State.

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