

JAN 23 2026

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

4 "§237- Exemption for eligible groceries. (a) There
5 shall be exempted from, and excluded from the measure of, the
6 taxes imposed by this chapter all of the gross proceeds or
7 income received from the sale of all groceries eligible for
8 purchase under the Supplemental Nutrition Assistance Program and
9 Special Supplemental Nutrition Program for Women, Infants, and
10 Children within the State, regardless of the means of purchase
11 and the eligibility of the purchaser for Supplemental Nutrition
12 Assistance Program or Special Supplemental Nutrition Program for
13 Women, Infants, and Children benefits.

14 (b) For the purposes of this section:

15 "Food" or "food product" means substances, whether in
16 liquid, concentrated, solid, frozen, dried, or dehydrated form,



1 that are sold for ingestion or chewing by humans and are
2 consumed for their taste or nutritional value.

3 "Groceries" means any food or food product for home
4 consumption. "Groceries" may be further defined by the
5 department of taxation by rule or tax information release;
6 provided that the department shall consult with the federal Food
7 and Nutrition Service of the United States Department of
8 Agriculture in further defining the term "groceries" for
9 purposes of the Supplemental Nutrition Assistance Program and
10 Special Supplemental Nutrition Program for Women, Infants, and
11 Children.

12 §237- Exemption for nonprescription drugs and medical
13 supplies. (a) There shall be exempted from, and excluded from
14 the measure of, the taxes imposed by this chapter all of the
15 gross proceeds or income received from the sale of
16 nonprescription drugs and medical supplies.

17 (b) For the purposes of this section:

18 "Drug" means:

19 (1) Articles recognized in the official United States
20 Pharmacopeia, official United States Pharmacopeia
21 Dispensing Information, official Homeopathic



1 Pharmacopoeia of the United States, or official
2 National Formulary, or any supplement to any of these
3 publications;

4 (2) Articles intended for use in the diagnosis, cure,
5 mitigation, treatment, or prevention of disease in
6 humans or animals;

7 (3) Articles, other than food or clothing, intended to
8 affect the structure or any function of the body of
9 humans or animals; or

10 (4) Articles intended for use as a component of any
11 article specified in paragraph (1), (2), or (3);
12 provided that the term "drug" does not include devices
13 or their components, parts or accessories, cosmetics,
14 or liquor as defined in section 281-1.

15 "Health care facility" has the same meaning as defined in
16 section 323D-2.

17 "Medical supplies" means items for medical use that are
18 suitable for use in a health care facility or in the home.

19 "Nonprescription drug" means any packaged, bottled, or
20 nonbulk chemical, drug, or medicine that may be lawfully sold
21 without a practitioner's order.



1 **§237- Exemption for feminine hygiene products.** There
2 shall be exempted from, and excluded from the measure of, the
3 taxes imposed by this chapter all of the gross proceeds or
4 income received from the sale of feminine hygiene products,
5 including but not limited to sanitary napkins; sanitary towels;
6 tampons; panty liners; douches; feminine hygiene syringes;
7 menstrual cups; and creams, foams, ointments, jellies, powders,
8 and sprays used for vaginal hygiene purposes.

9 **§237- Exemption for diapers.** (a) There shall be
10 exempted from, and excluded from the measure of, the taxes
11 imposed by this chapter all the gross proceeds or income from
12 the sale of diapers.

13 (b) For the purposes of this section, "diaper" means a
14 washable or disposable absorbent garment that may be worn by an
15 infant or toddler who is not toilet-trained; provided that, if
16 disposable:

17 (1) Does not contain any latex or common allergens; and
18 (2) Meets or exceeds the quality standards for diapers
19 commercially available through retail sale in the
20 following categories:



1 (A) Absorbency (with acceptable rates for first and
2 second wetting);
3 (B) Waterproof outer cover;
4 (C) Flexible leg openings; and
5 (D) Refastening closures."

6 SECTION 2. New statutory material is underscored.

7 SECTION 3. This Act shall take effect on January 1, 2027.

8 INTRODUCED BY: 



S.B. NO. 2935

Report Title:

GET; Exemptions; Groceries; Nonprescription Drugs and Medical Supplies; Feminine Hygiene Products; Diapers

Description:

Establishes a general excise tax exemption for the gross proceeds or income from the sale of groceries that are eligible under the Supplemental Nutrition Assistance Program and Special Supplemental Nutrition Program for Women, Infants, and Children, regardless of the means of purchase and the program eligibility of the purchaser; nonprescription drugs and medical supplies; feminine hygiene products; and diapers. Effective 1/1/2027.

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

