STAND. COM. REP. NO. 890 -26

Honolulu, Hawaii

MAR 05 , 2026

RE: H.B. No. 1918
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Finance, to which was referred H.B. No. 1918, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to:

(1) Impose the conveyance tax on the transfer or acquisition of a controlling interest of an entity with an interest in real property, with certain exceptions;

(2) Establish processes for determining the date when a controlling interest was transferred or acquired pursuant to the exercise of an option and determining when persons are acting in concert;

(3) Impose the conveyance tax on certain transfers of real property at the lowest tax rate;

(4) Base the rate of the conveyance tax, in the case of a transfer or acquisition of a controlling interest, on the fair market value of the real property at the time the controlling interest is transferred or acquired; and

(5) Impose liability on the transferee in the event that the transferor of the controlling interest does not pay the tax due.

Your Committee received testimony in support of this measure from the Chamber of Sustainable Commerce; Hawai'i Children's Action Network Speaks!; Indivisible Hawai'i; AARP Hawai'i; and seven individuals. Your Committee received testimony in opposition to this measure from the Grassroot Institute of Hawaii and NAIOP Hawaii. Your Committee received comments on this measure from the Department of Taxation; Tax Foundation of Hawaii; Hawai'i Association of REALTORS; and one individual.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1918, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committee on Finance,

CHRIS TODD, Chair

State of Hawaii
House of Representatives
The Thirty-third Legislature HSCR 890-26

Record of Votes of the Committee on Finance

Bill/Resolution No.:	Committee Referral:	Date:
HB1918, HD1	WAL, FIN	3/3/26

☐ The committee is reconsidering its previous decision on the measure.

The recommendation is to: ☑ Pass, unamended (as is) ☐ Pass, with amendments (HD) ☐ Hold
☐ Pass short form bill with HD to recommit for future public hearing (recommit)

FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. TODD, Chris (C)	/			
2. TAKENOUCHI, Jenna (VC)	/			
3. HARTSFIELD, Daisy	/			
5. HUSSEY, Ikaika	/			
6. KEOHOKAPU-LEE LOY, Sue L.	/			
7. KITAGAWA, Lisa	/			
8. KUSCH, Matthias	/			
9. LEE, Mike	/			
10. MIYAKE, Tyson K.	/			
11. MORIKAWA, Dee	/			
12. PERRUSO, Amy A.	/			
13. TEMPLO, Shirley Ann	/			
14. YAMASHITA, Kyle T.	/			
15. ALCOS III, David			/	
16. GEDEON, Joe		/		
17. REYES ODA, Julie		/		
TOTAL (N 16	13	2	1	0

The recommendation is: ☑ Adopted ☐ Not Adopted
If joint referral, _____ did not support recommendation.
committee acronym(s)

Vice Chair's or designee's signature: _____

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