

Honolulu, Hawaii

**FEB 18**, 2026

RE: H.B. No. 2156  
H.D. 1

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

Madame:

Your Committees on Tourism and Economic Development & Technology, to which was referred H.B. No. 2156 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

beg leave to report as follows:

The purpose of this measure is to increase the monetary tax liability filing thresholds for the general excise tax and transient accommodations tax returns.

Your Committees received testimony in support of this measure from two individuals. Your Committees received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committees find that small businesses in the State are disproportionately burdened with administrative requirements, including the need to file frequent tax returns for transient accommodations and general excise taxes. Your Committees further find that the filing thresholds for the transient accommodations tax and general excise tax have not been adjusted since 2001, despite inflation increasing by approximately 1.83 times. As a result, many small businesses must file taxes more frequently than originally intended even though their actual tax liability remains relatively small. This measure is intended to reduce unnecessary compliance costs for small businesses by adjusting the transient

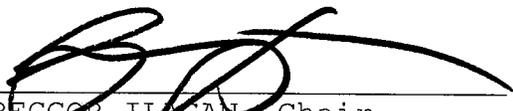


accommodations tax and general excise tax monetary tax liability filing thresholds to reflect inflation increases since 2001.

Your Committees have amended this measure by changing the effective date to July 1, 3000, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Tourism and Economic Development & Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2156, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2156, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committees on Tourism and  
Economic Development &  
Technology,

  
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GREGGOR ILAGAN, Chair

  
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ADRIAN K. TAM, Chair





