

HAWAI'I DEPARTMENT OF TAXATION

KA 'OIHANA 'AUHAU

UPDATE ON REVENUE COLLECTIONS AND PROJECTION

Hawai'i Senate Committee on Ways and Means
Budget Informational Meeting
January 7, 2026

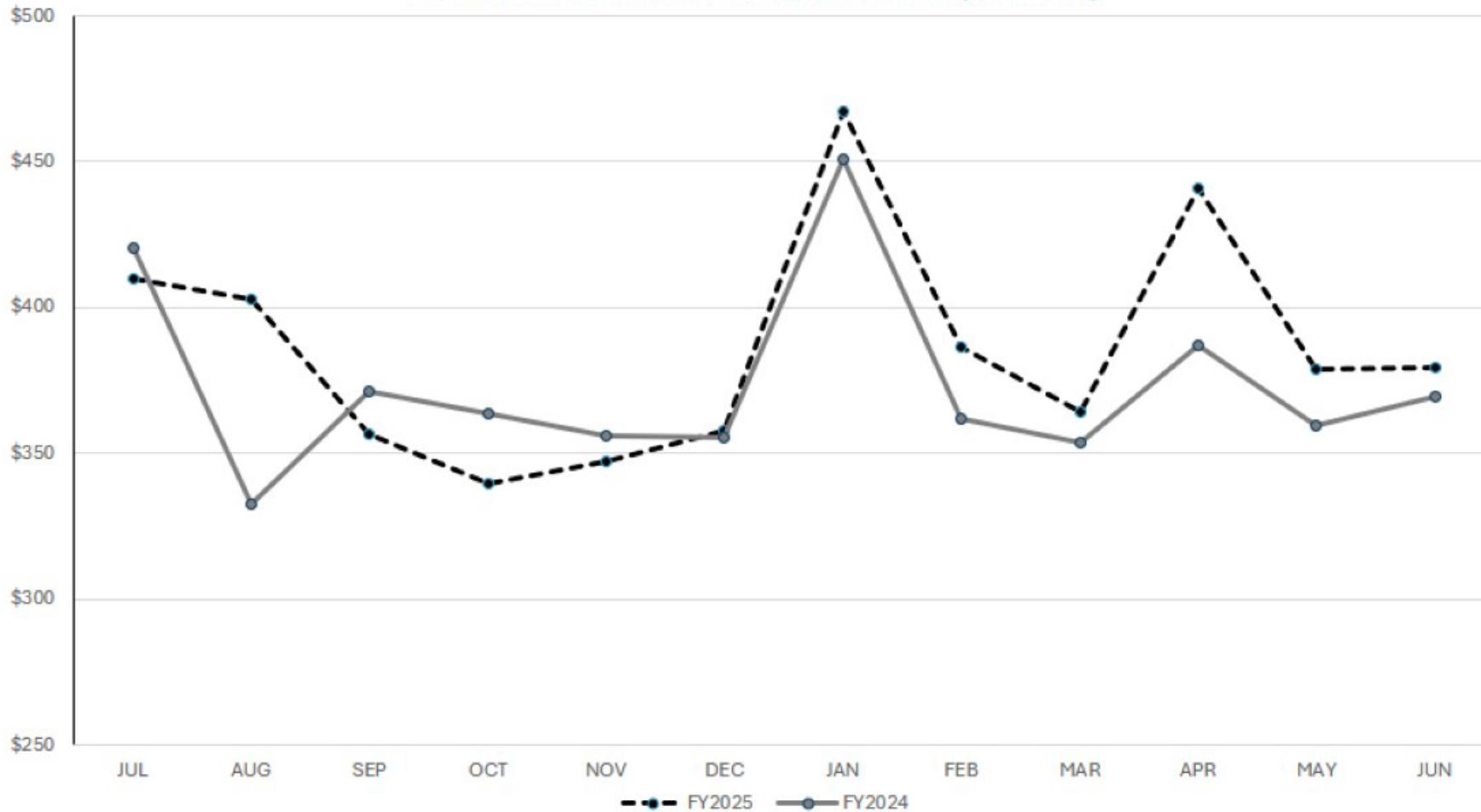
Gary S. Saganuma
Director

Kristen M.R. Sakamoto
Deputy Director

Baybars Karacaovali, Ph.D.
Tax Research & Planning Officer



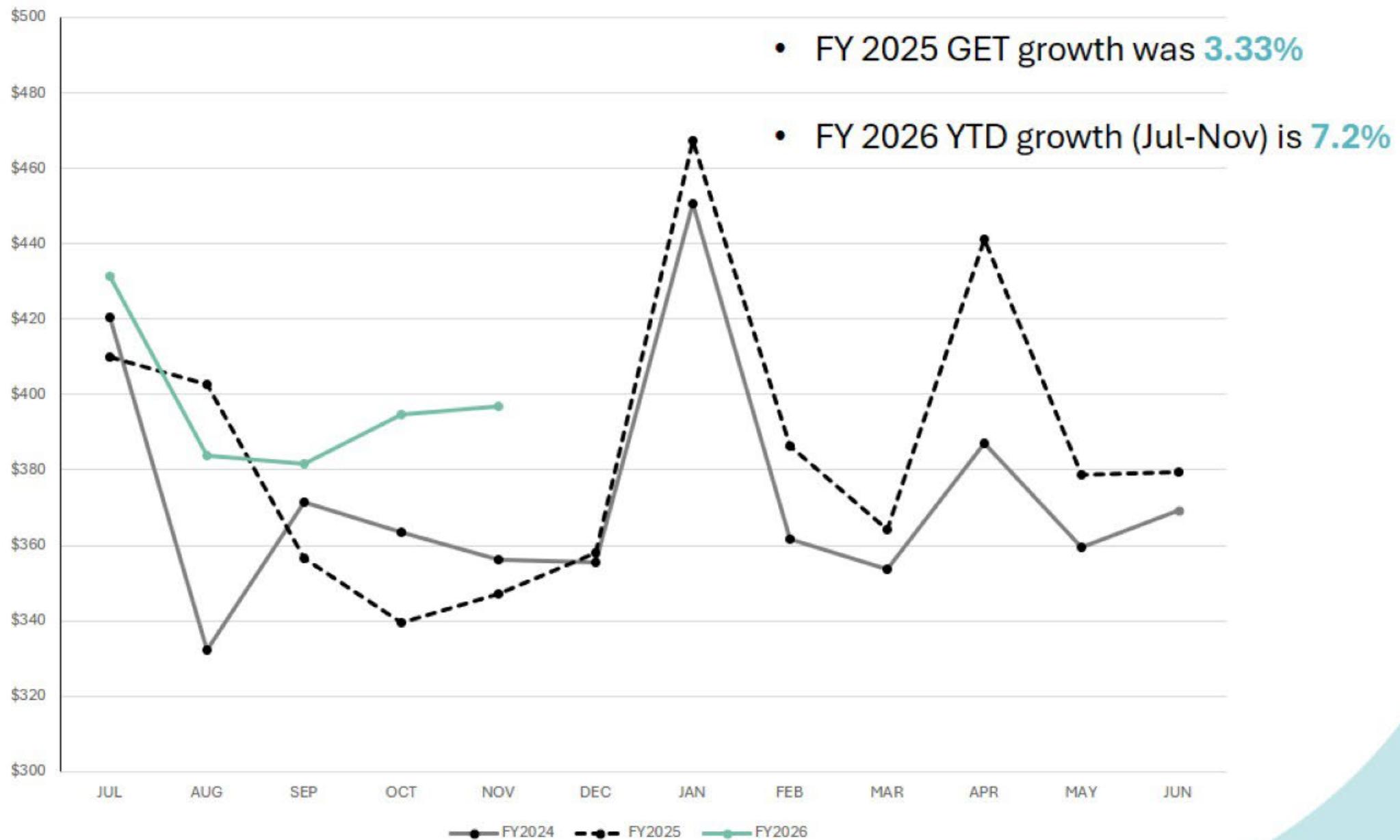
General Excise & Use Tax Collections (\$ Million)



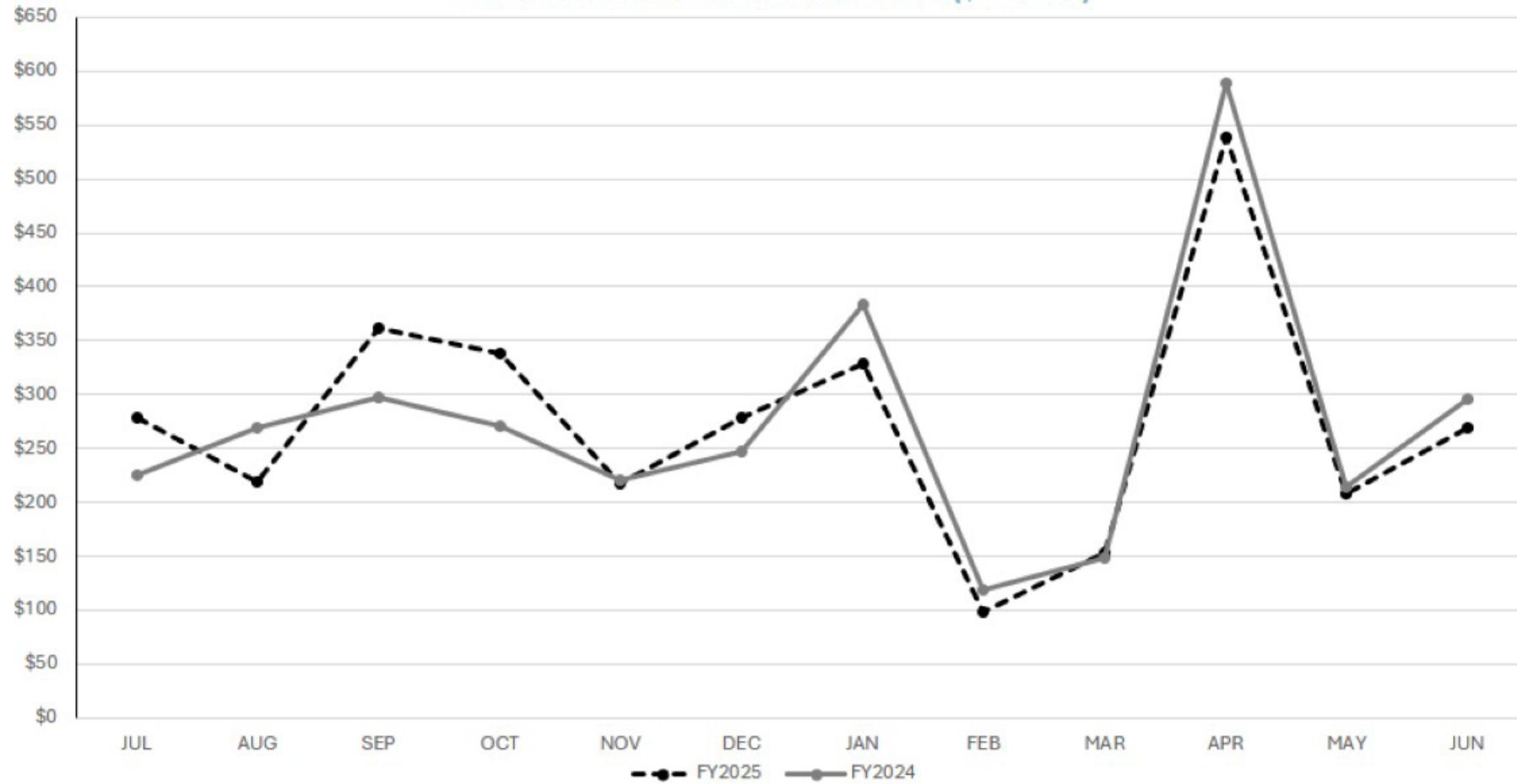
General Excise & Use Tax Collections

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY
FY2025	\$410	\$403	\$356	\$340	\$347	\$358	\$467	\$387	\$364	\$441	\$379	\$380	\$4,631
FY2024	\$420	\$332	\$371	\$364	\$356	\$355	\$451	\$362	\$354	\$387	\$359	\$369	\$4,482
YOY % Ch	-2.53%	21.09%	-4.02%	-6.61%	-2.54%	0.70%	3.67%	6.83%	2.94%	13.99%	5.42%	2.76%	3.33%
YTD % Ch	-2.53%	7.90%	3.96%	1.38%	0.62%	0.63%	1.15%	1.83%	1.95%	3.19%	3.38%	3.33%	

General Excise & Use Tax Collections (\$ Million)



Individual Income Tax Collections (\$ Million)



Individual Income Tax Collections

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY
FY2025	\$278	\$220	\$361	\$337	\$217	\$279	\$328	\$98	\$154	\$539	\$208	\$268	\$3,288
FY2024	\$226	\$270	\$297	\$271	\$220	\$247	\$383	\$119	\$148	\$589	\$215	\$296	\$3,282
YOY % Ch	23.09%	-18.50%	21.67%	24.69%	-1.36%	12.86%	-14.42%	-17.49%	3.92%	-8.53%	-3.32%	-9.42%	0.20%
YTD % Ch	23.09%	0.46%	8.41%	12.55%	10.16%	10.60%	5.59%	4.24%	4.22%	1.50%	1.16%	0.20%	

Major Tax-Related Measures Passed by the 2024 Legislature and Enacted into Law
 Estimates of General Fund Tax Revenue Gain or (Loss)
 (Dollar amounts are in \$ millions)

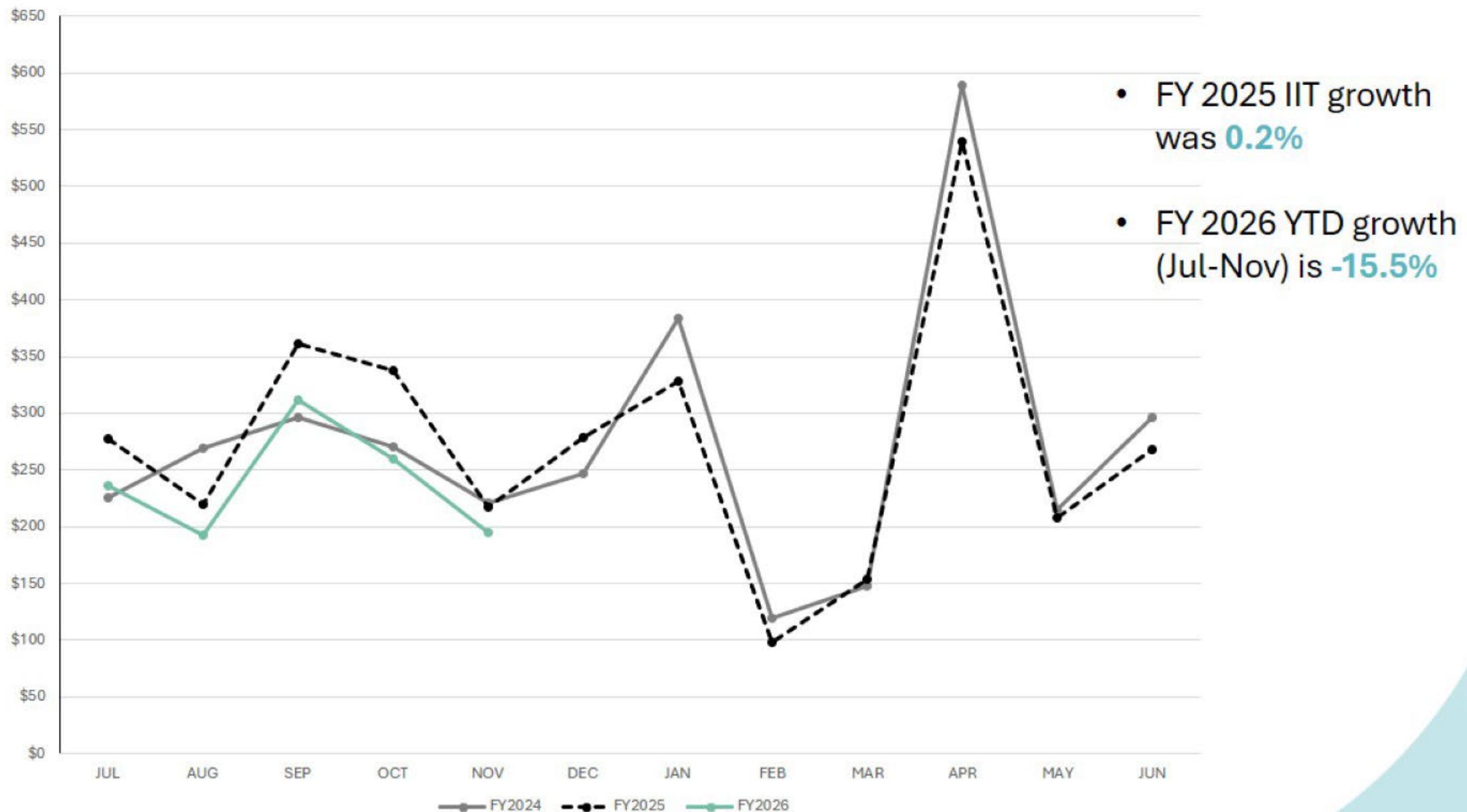
Act Number	Description	General Fund Revenue Gain (or Loss)					
		FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Act 46, SLH 2024	Individual Income Tax Cut. Increases the standard deduction amounts, with amendments taking effect in tax years 2024, 2026, 2028, 2030, and 2031. Act 46 also amends the income tax brackets by increasing the income limits in each bracket, with amendments taking effect in tax	(\$240.3)	(\$596.6)	(\$740.1)	(\$922.7)	(\$1,052.6)	(\$1,262.3)
Act 47, SLH 2024	GET Exemption. Exempts medical services provided by health care providers to patients who receive Medicaid, Medicare, or TRICARE benefits from the general excise tax. Applies to taxable years beginning	\$0.0	(\$33.6)	(\$77.5)	(\$81.0)	(\$84.5)	(\$88.2)
Total		(\$240.3)	(\$630.2)	(\$817.6)	(\$1,003.7)	(\$1,137.1)	(\$1,350.5)

ACT 46, SLH 2024

STANDARD DEDUCTION CHANGES

	CY2023	CY2024	CY2026	CY2028	CY2030	CY2031
Single	\$2,200	\$4,400	\$8,000	\$9,000	\$10,000	\$12,000
Joint	\$4,400	\$8,800	\$16,000	\$18,000	\$20,000	\$24,000
HH	\$3,212	\$6,424	\$12,000	\$13,500	\$15,000	\$18,000
		CY2025		CY2027		CY2029
TAX BRACKET CHANGES						

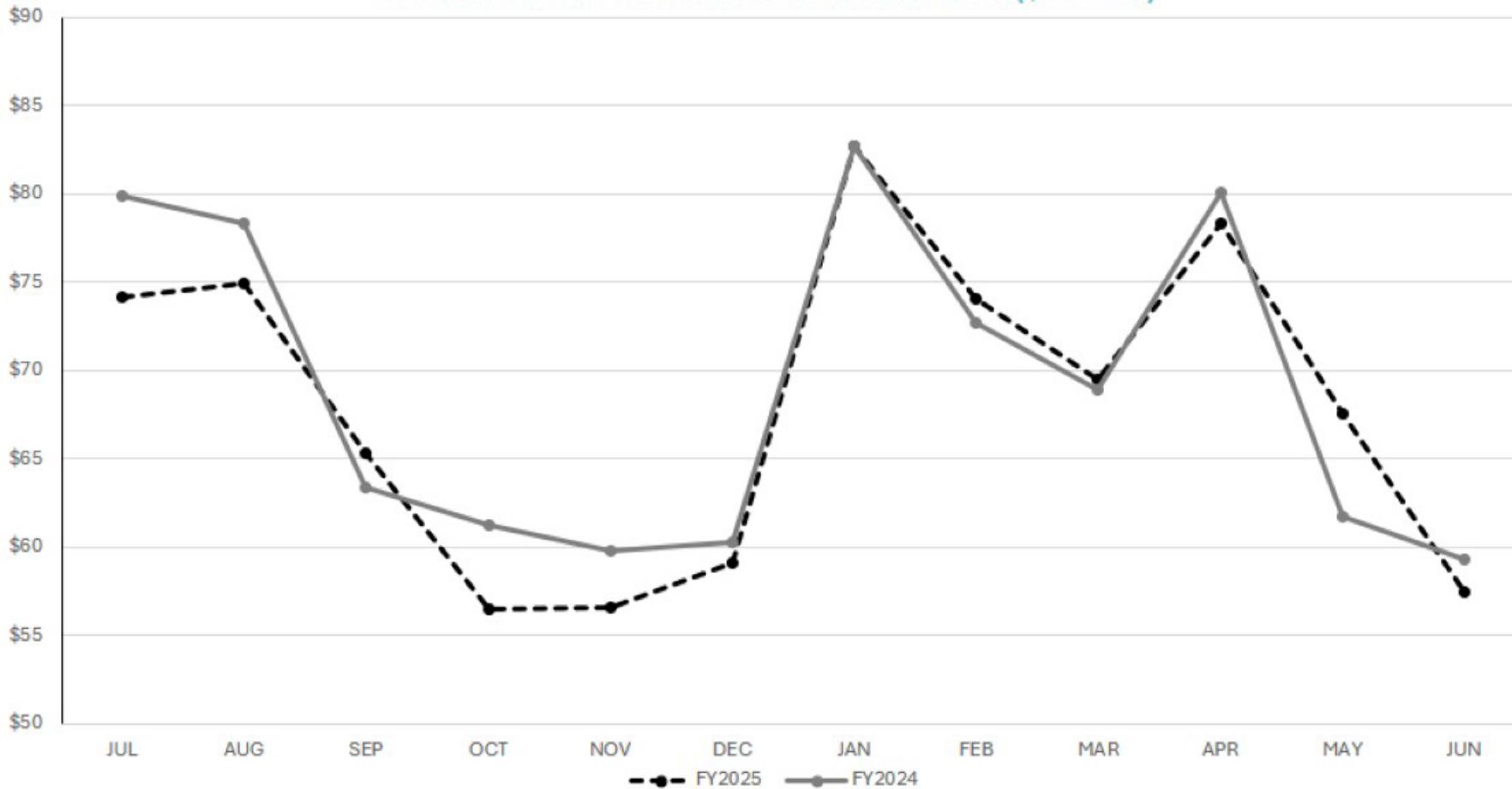
Individual Income Tax Collections (\$ Million)



Major Tax-Related Measures Passed by the 2025 Legislature and Enacted into Law
Estimates of General Fund Tax Revenue Gain or (Loss)
(Dollar amounts are in \$ millions)

Act Number	Description							
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Act 58, SLH 2025	Pass-Through Entity (PTE) Tax Add-Back Eliminates double benefit by adding PTE credit back to the qualified member's taxable income. Effective on May 15, 2025, and applicable to Tax Year 2025.	\$29.3	\$30.8	\$32.4	\$34.0	\$35.7	\$37.5	\$39.4
Act 96, SLH 2025	Transient Accommodations Tax Increase and Imposition on Cruise Ships Increases TAT by 0.75% (climate impact/green fee) and imposes TAT on gross rental proceeds derived from cruise fares. Effective on January 1, 2026 for TY 2026-TY 2030.	\$42.0	\$87.0	\$88.0	\$88.9	\$88.8	\$87.8	\$89.8
Total		\$71.3	\$117.8	\$120.4	\$122.9	\$124.5	\$125.3	\$129.2

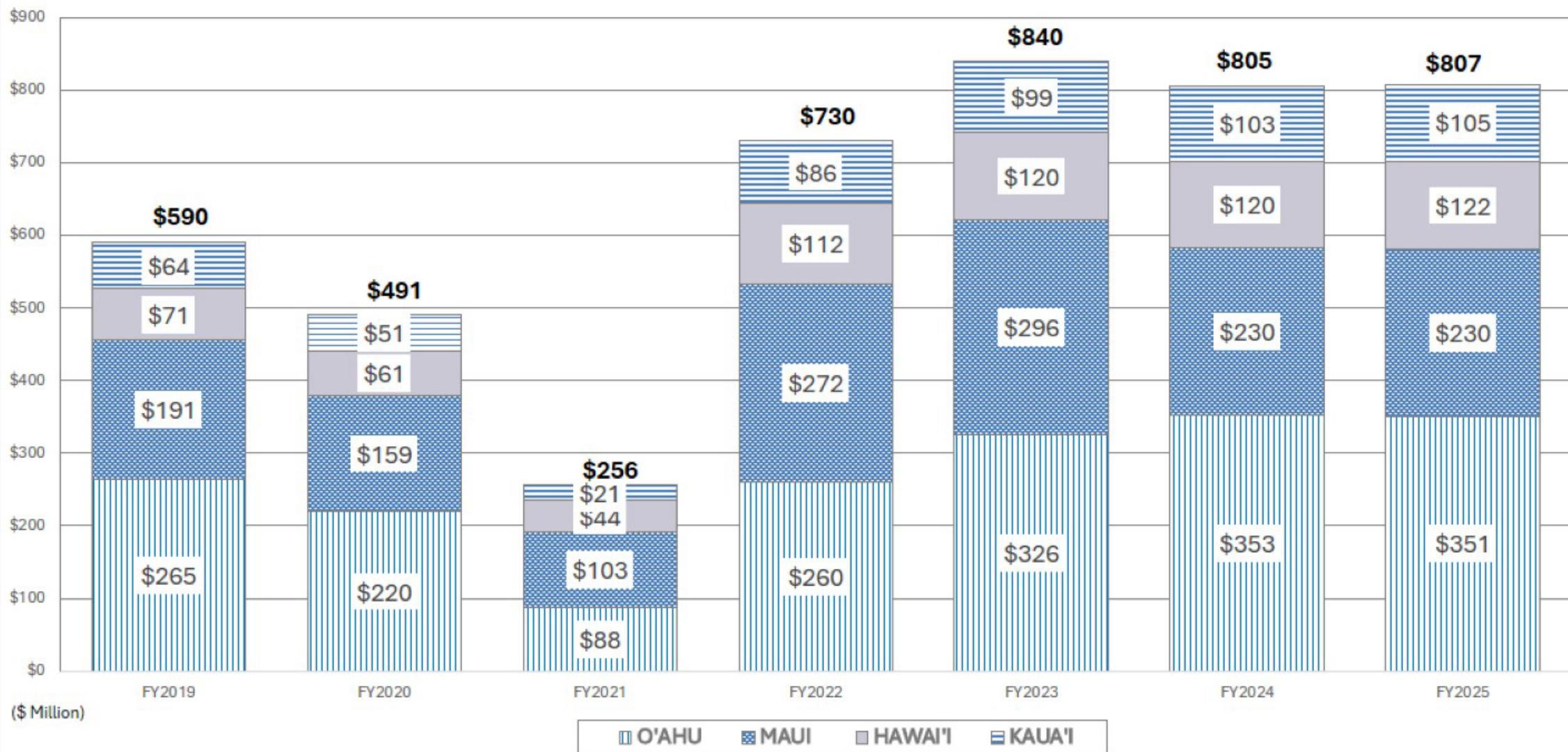
Transient Accommodations Tax Collections (\$ Million)



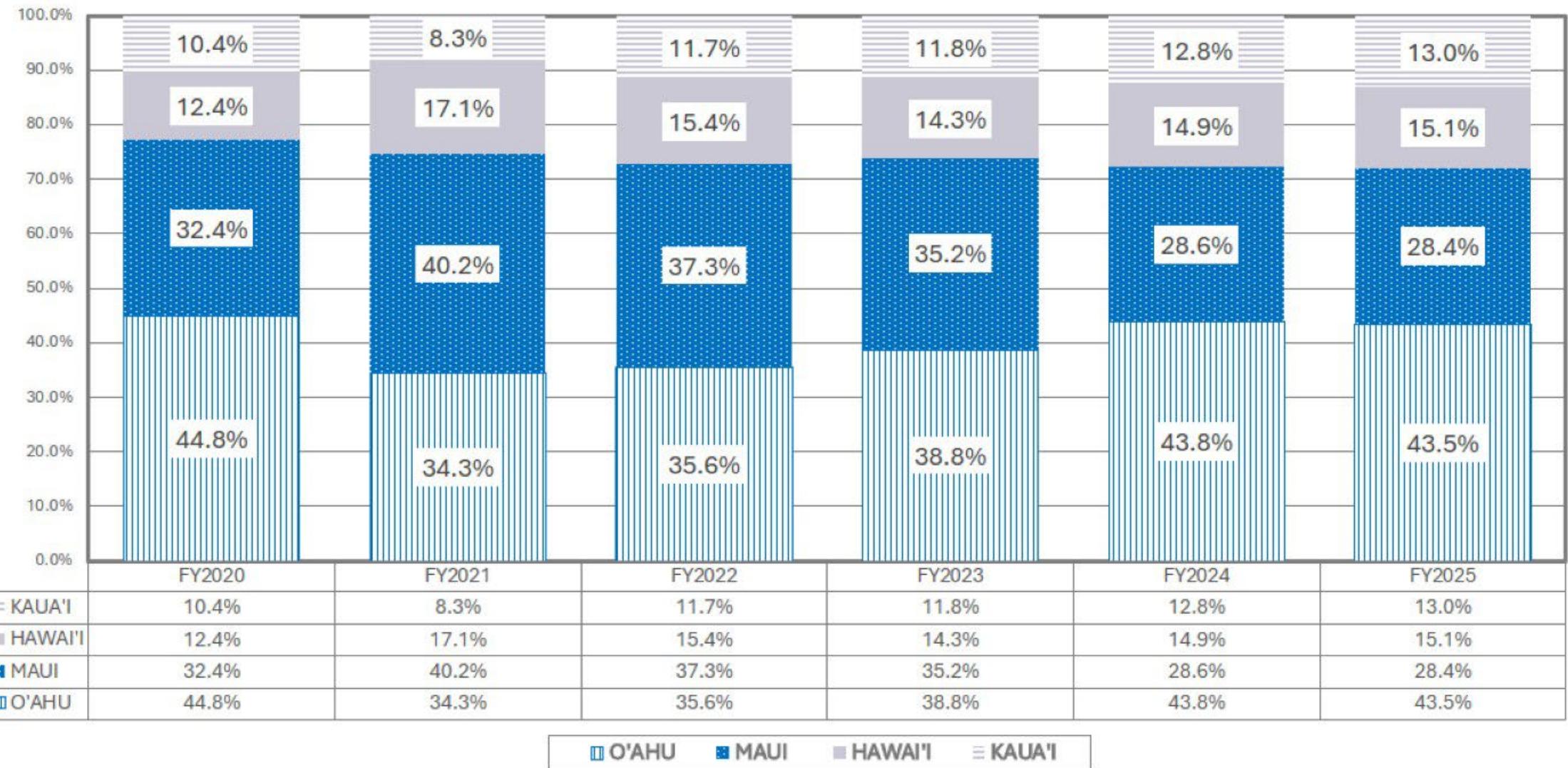
Transient Accommodations Tax Collections

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY
FY2025	\$74	\$75	\$65	\$57	\$57	\$59	\$83	\$74	\$69	\$78	\$68	\$57	\$816
FY2024	\$80	\$78	\$63	\$61	\$60	\$60	\$83	\$73	\$69	\$80	\$62	\$59	\$828
YOY % Ch	-7.11%	-4.33%	3.12%	-7.78%	-5.26%	-1.97%	-0.04%	1.83%	0.84%	-2.17%	9.38%	-3.17%	-1.47%
YTD % Ch	-7.11%	-5.74%	-3.20%	-4.20%	-4.38%	-4.02%	-3.34%	-2.67%	-2.28%	-2.27%	-1.34%	-1.47%	

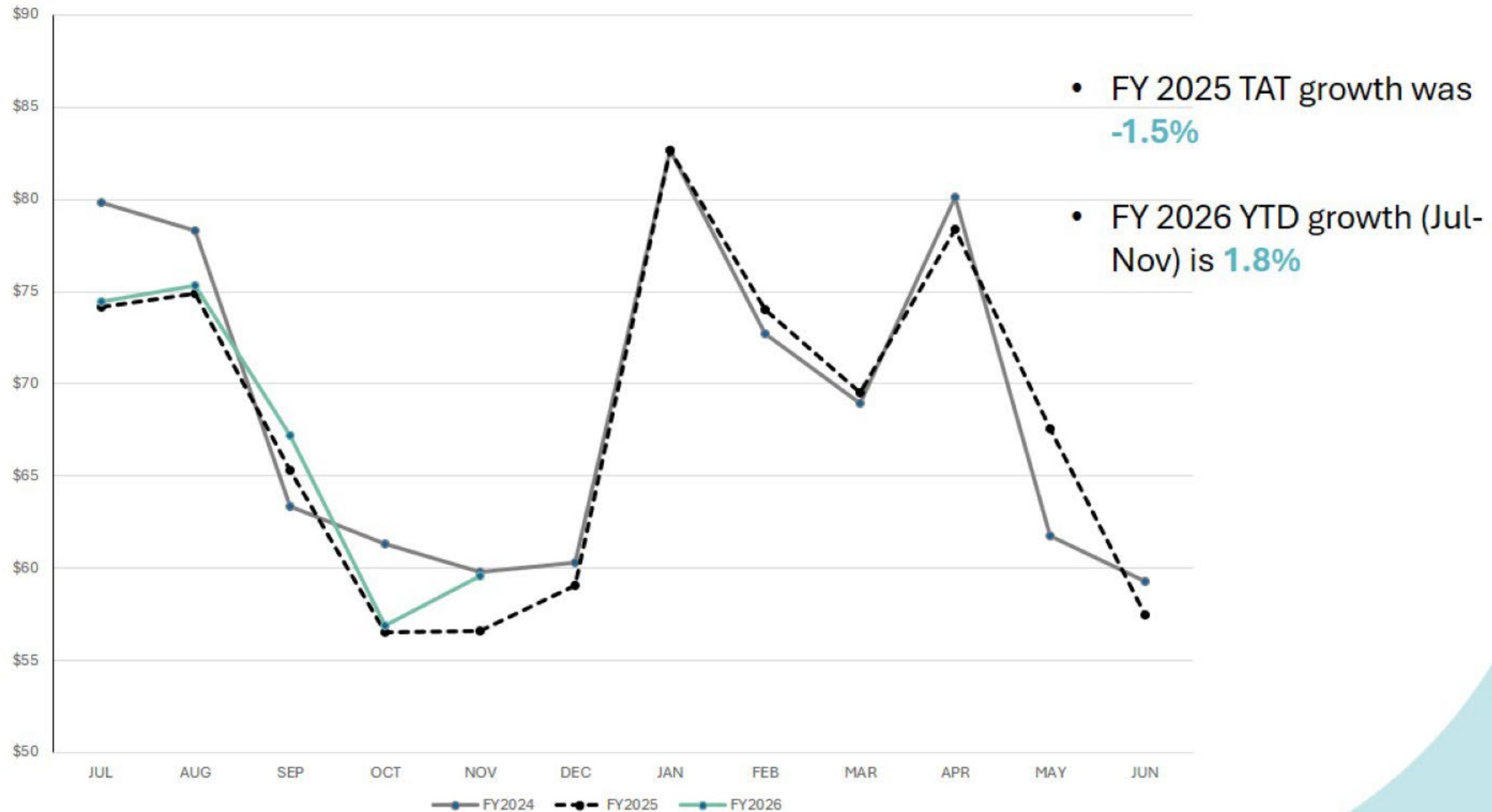
TRANSIENT ACCOMMODATIONS TAX LIABILITY BY TAX DISTRICT (\$ Million)

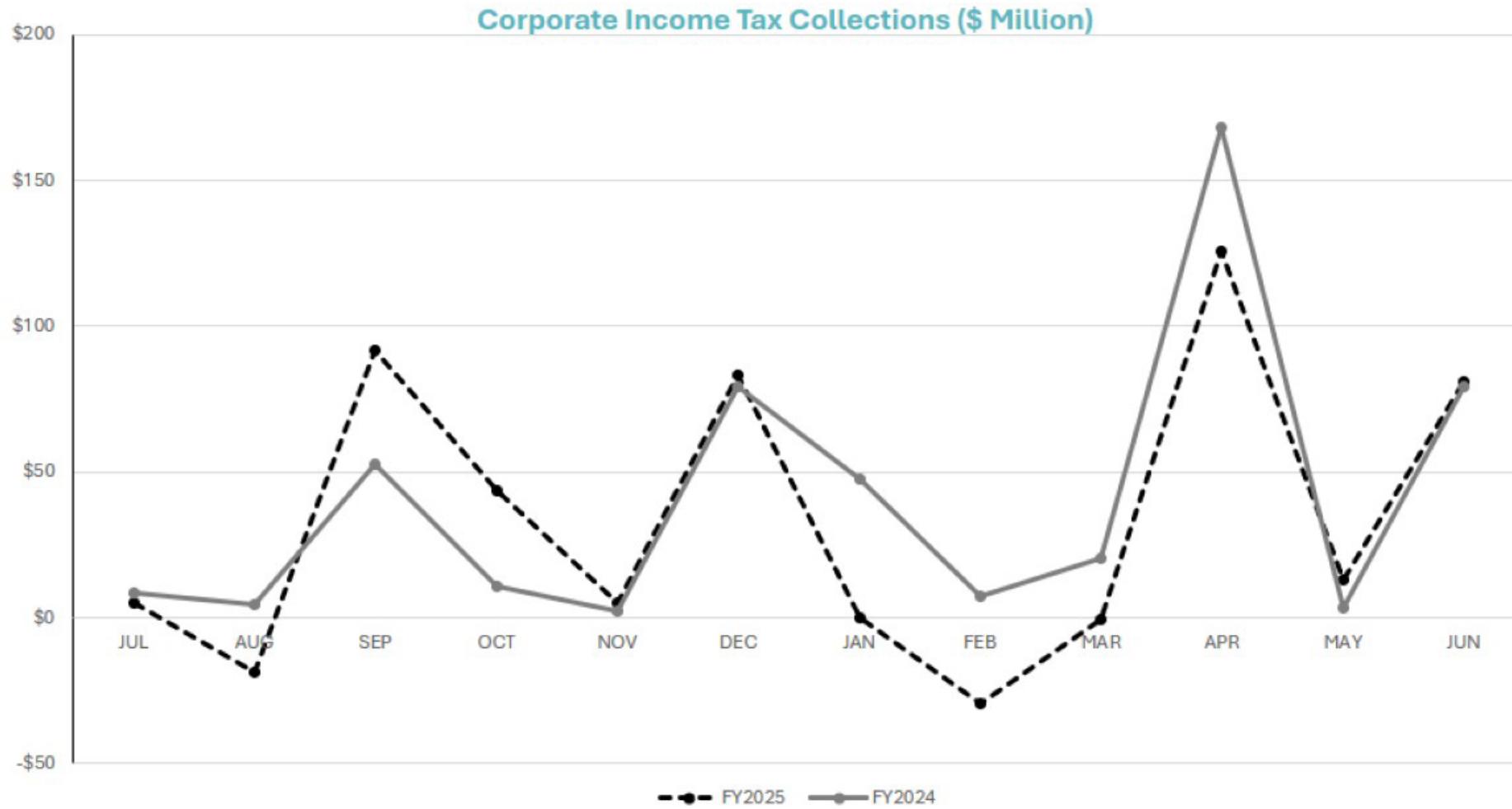


TRANSIENT ACCOMMODATIONS TAX LIABILITY COMPOSITION BY TAX DISTRICT



Transient Accommodations Tax Collections (\$ Million)

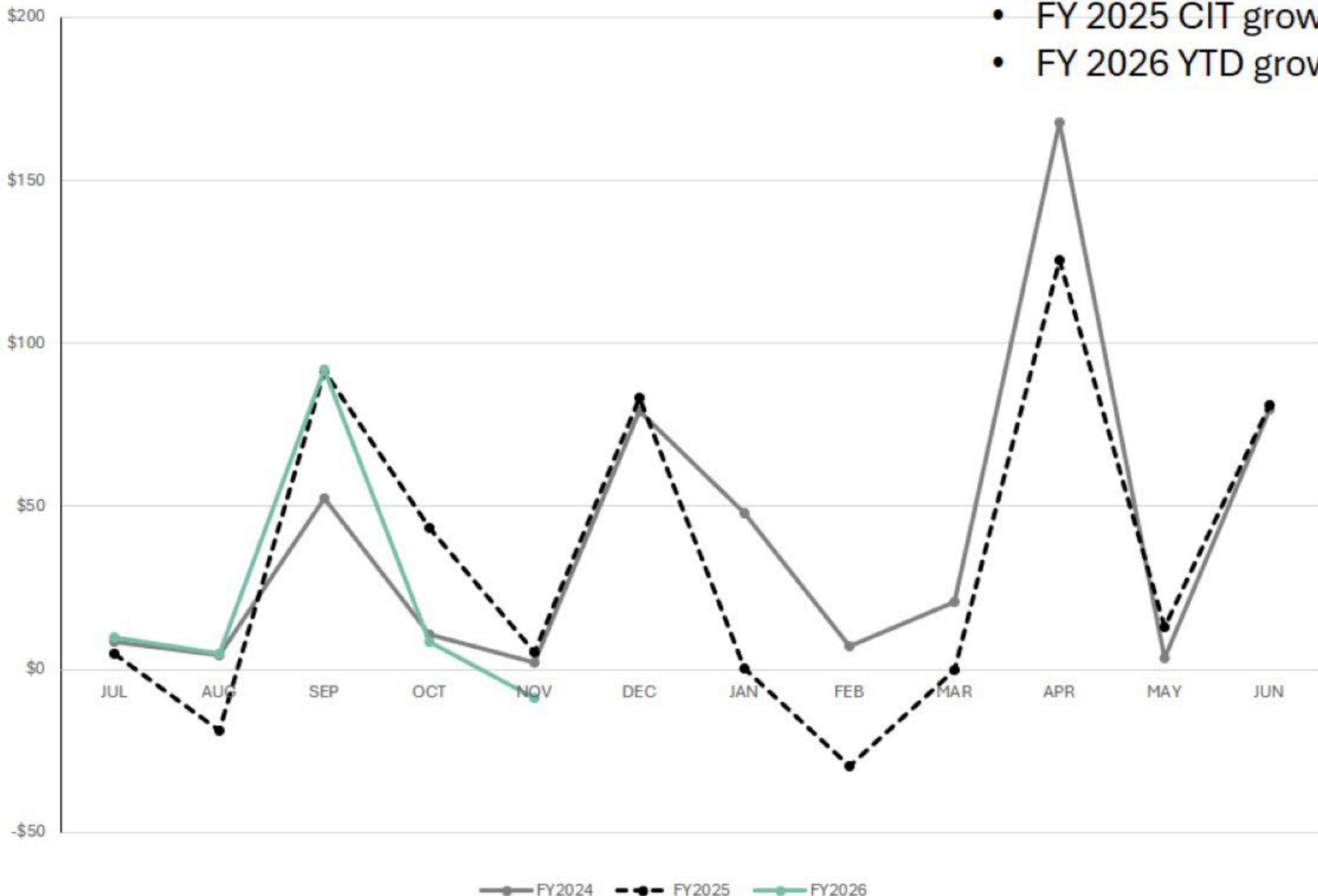




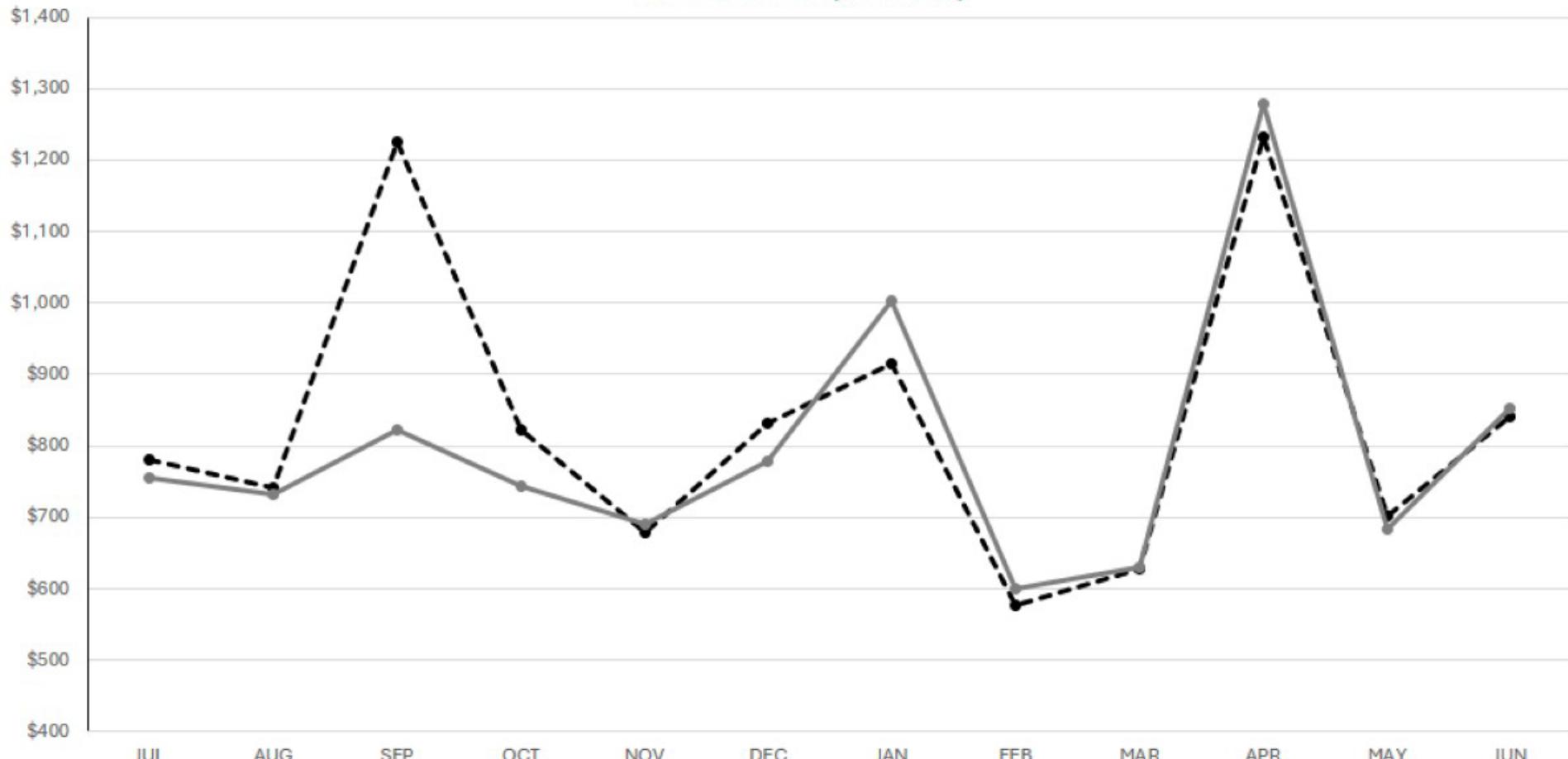
Corporate Income Tax Collections														
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY	
FY2025	\$5	-\$19	\$92	\$44	\$5	\$83	\$0	-\$29	\$0	\$126	\$13	\$81	\$400	
FY2024	\$8	\$5	\$53	\$11	\$2	\$79	\$48	\$7	\$21	\$168	\$4	\$80	\$484	
YOY % Ch	-40.82%	-515.08%	74.48%	298.70%	164.32%	5.16%	-99.59%	-507.35%	-101.61%	-25.10%	269.04%	1.76%	-17.34%	
YTD % Ch	-40.82%	-205.45%	19.03%	58.99%	61.75%	33.35%	2.37%	-14.99%	-22.66%	-23.68%	-21.09%	-17.34%		

Corporate Income Tax Collections (\$ Million)

- FY 2025 CIT growth was **-17.3%**
- FY 2026 YTD growth (Jul-Nov) is **-16.4%**



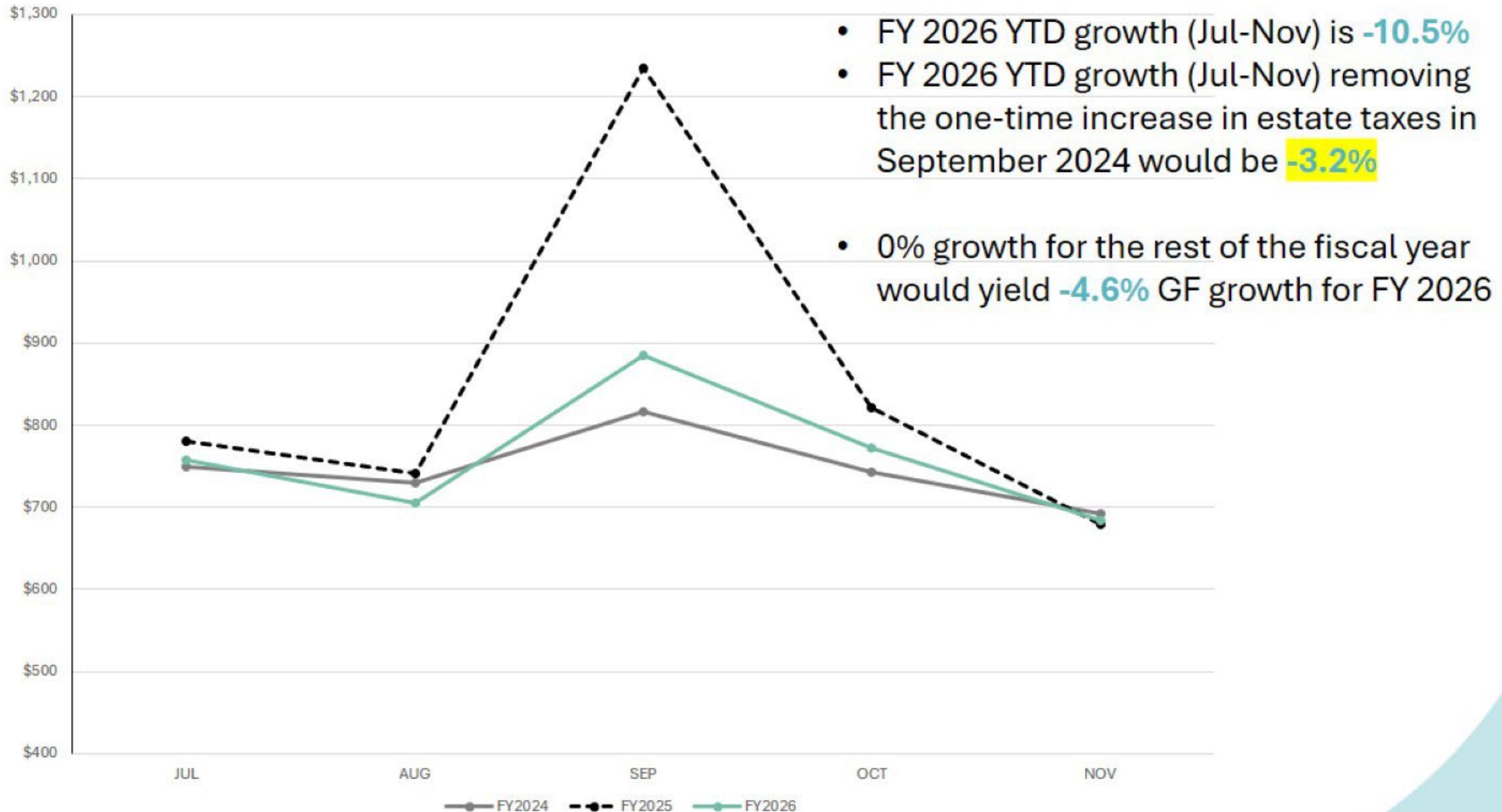
General Fund (\$ Million)



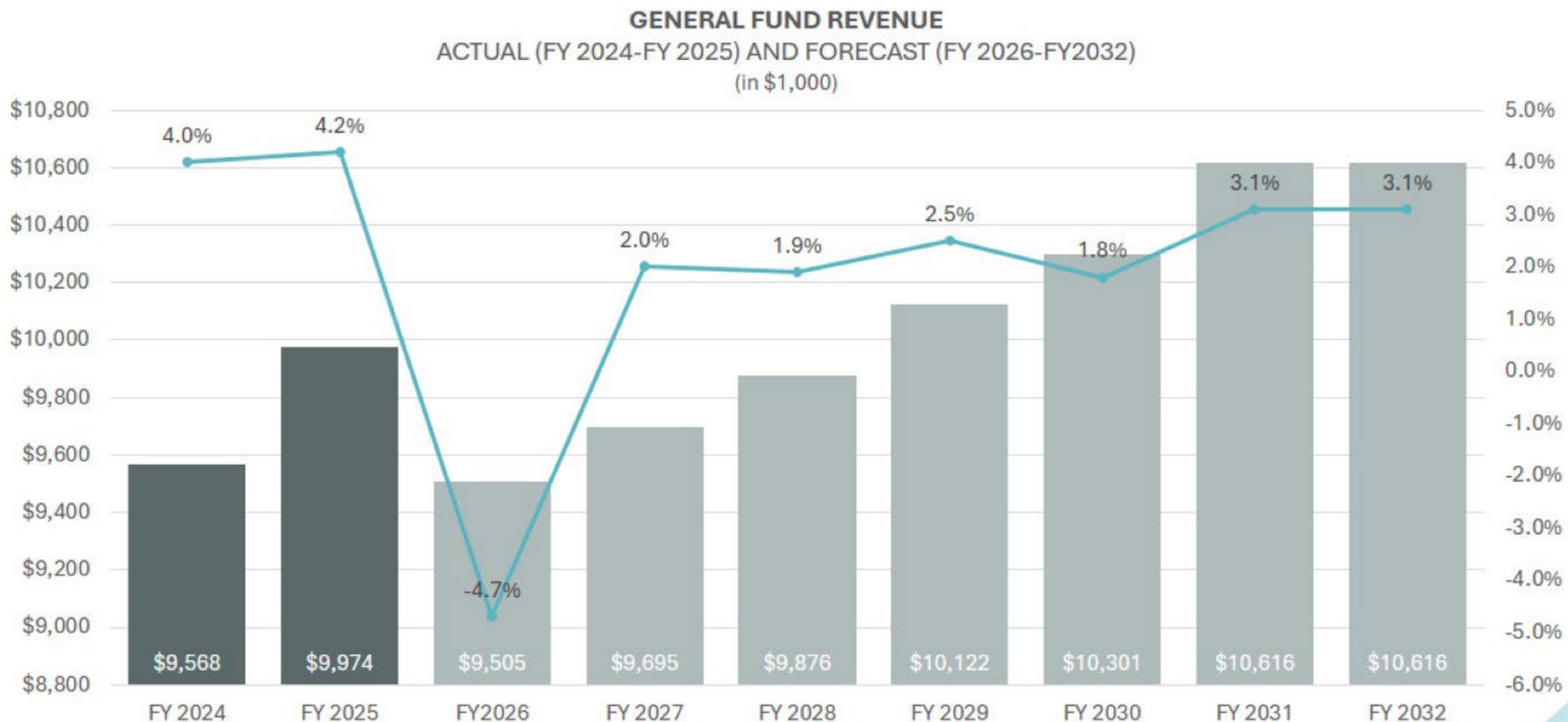
General Fund

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY
FY2025	\$780	\$742	\$1,225	\$822	\$678	\$831	\$916	\$577	\$628	\$1,232	\$702	\$841	\$9,974
FY2024	\$755	\$731	\$823	\$744	\$691	\$778	\$1,004	\$599	\$631	\$1,278	\$683	\$852	\$9,568
YOY % Ch	3.27%	1.48%	48.99%	10.48%	-1.82%	6.78%	-8.79%	-3.65%	-0.41%	-3.59%	2.79%	-1.33%	4.24%
YTD % Ch	3.27%	2.39%	18.99%	16.91%	13.46%	12.31%	8.48%	7.29%	6.57%	4.96%	4.79%	4.24%	

PRELIMINARY General Fund (\$ Million)



ACTUAL		COR FORECAST: AS OF SEPTEMBER 2025							
FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
\$9,568	\$9,974	\$9,505	\$9,695	\$9,876	\$10,122	\$10,301	\$10,616	\$10,616	
4.0%	4.2%	-4.7%	2.0%	1.9%	2.5%	1.8%	3.1%	3.1%	



Mahalo nui loa

Contact: Baybars.Karacaovali@hawaii.gov

Tax Research & Planning Officer
Hawai'i Department of Taxation