

**HAWAI'I DEPARTMENT OF TAXATION**  
**KA 'OIHANA 'AUHAU**

**UPDATE ON REVENUE COLLECTIONS AND PROJECTION**

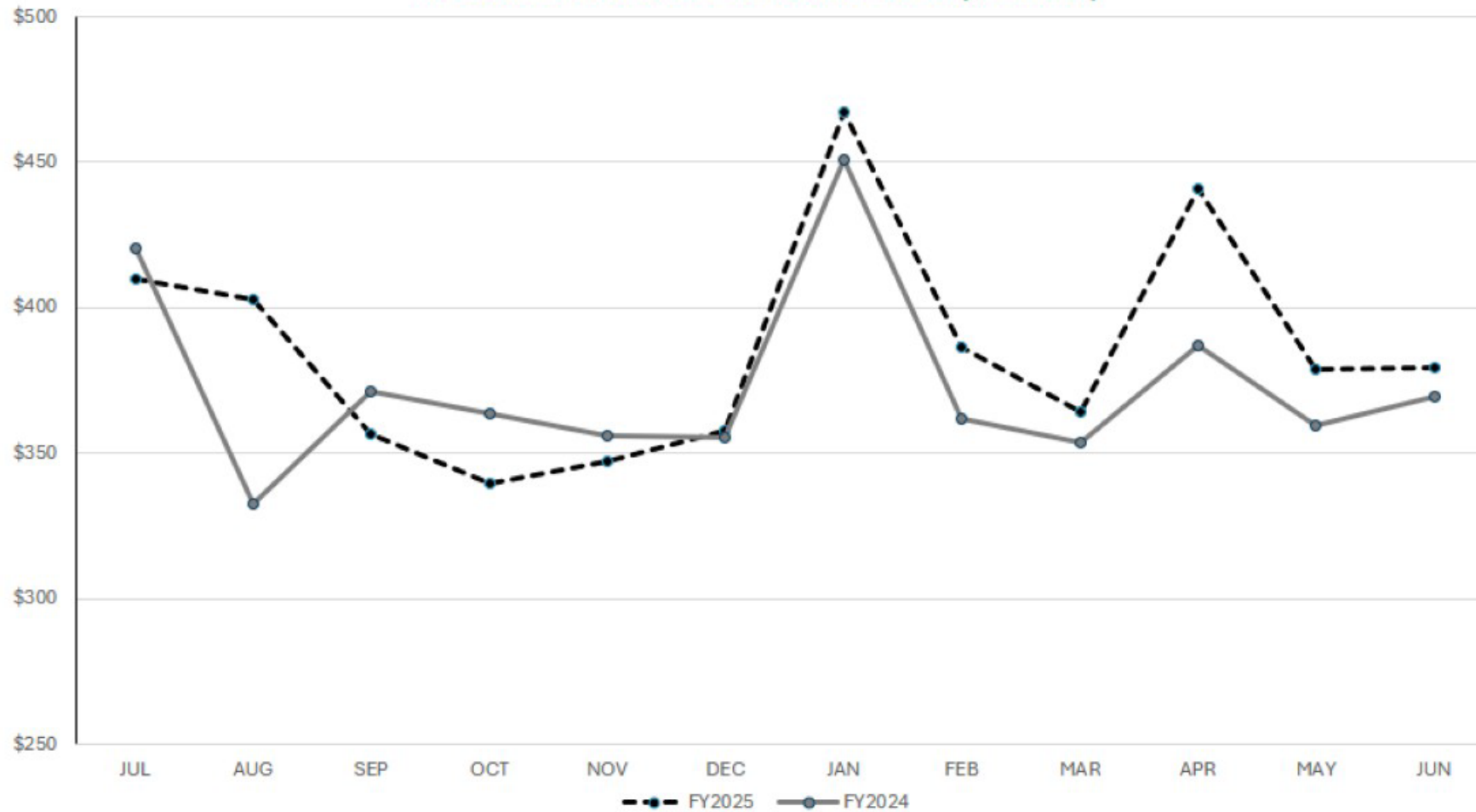
Hawai'i Senate Committee on Ways and Means  
Budget Informational Meeting  
January 7, 2026

**Gary S. Suganuma**  
Director

**Kristen M.R. Sakamoto**  
Deputy Director

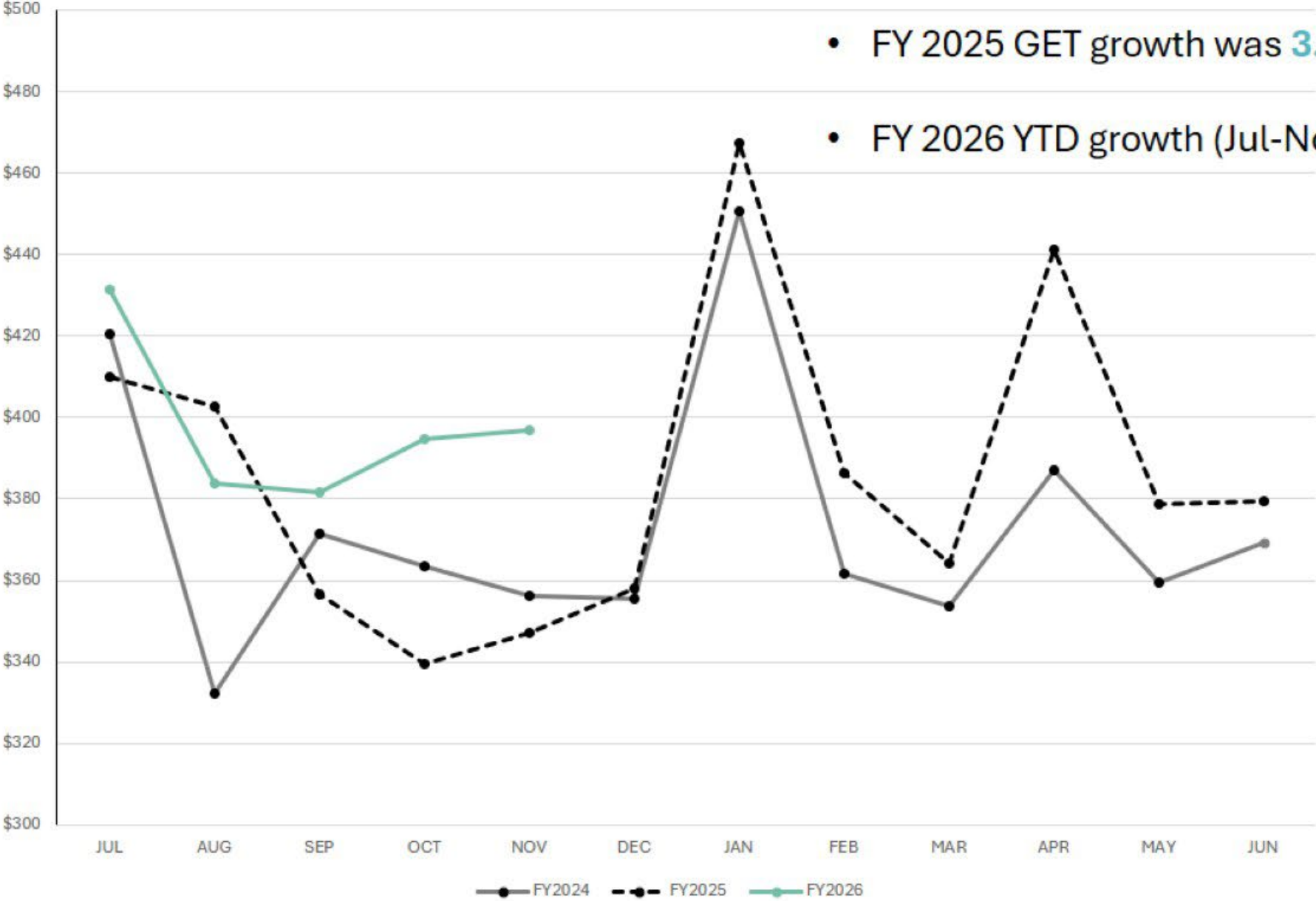
**Baybars Karacaovali, Ph.D.**  
Tax Research & Planning Officer

### General Excise & Use Tax Collections (\$ Million)



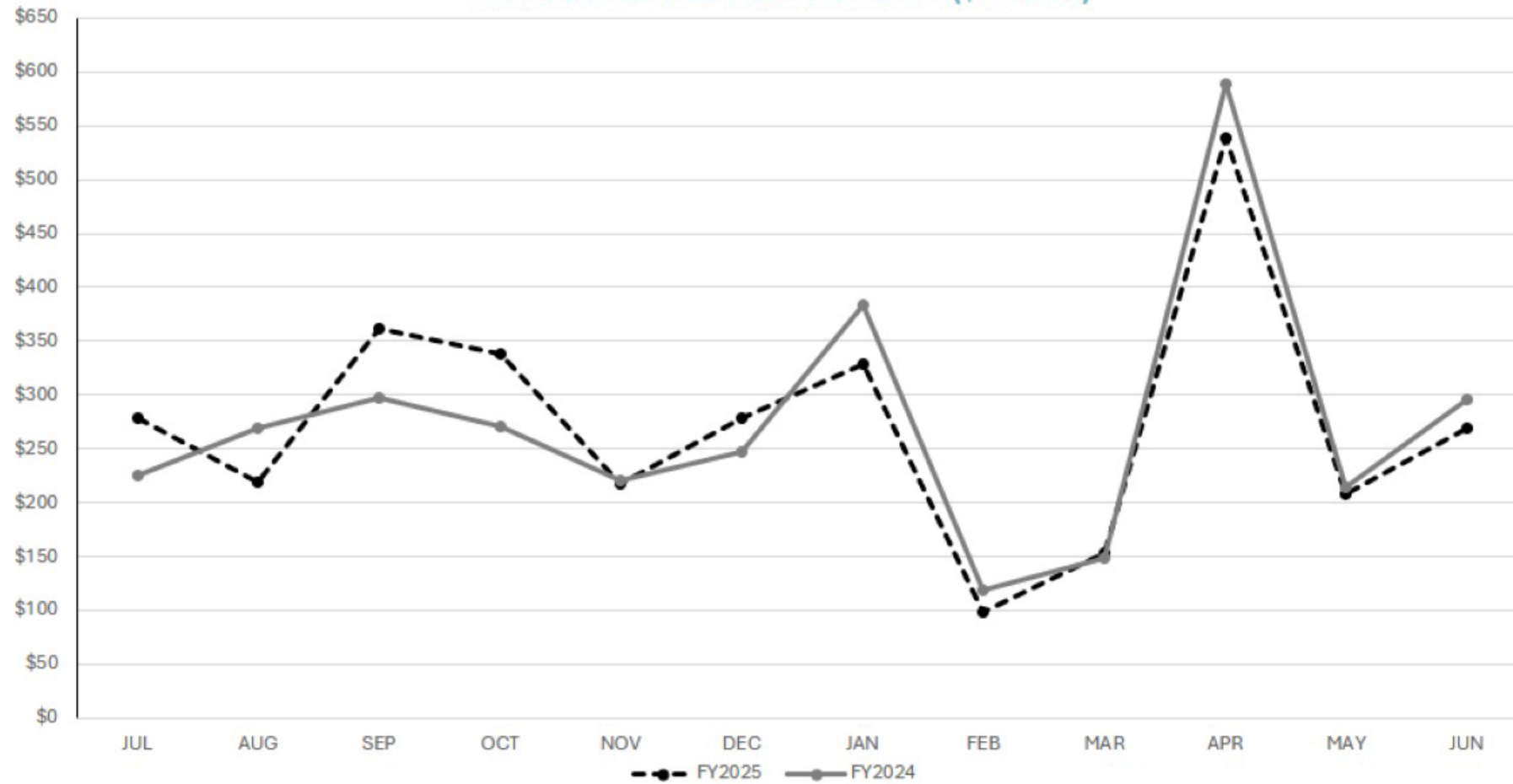
General Excise & Use Tax Collections													
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY
<b>FY2025</b>	\$410	\$403	\$356	\$340	\$347	\$358	\$467	\$387	\$364	\$441	\$379	\$380	\$4,631
<b>FY2024</b>	\$420	\$332	\$371	\$364	\$356	\$355	\$451	\$362	\$354	\$387	\$359	\$369	\$4,482
<b>YOY % Ch</b>	-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%
<b>YTD % Ch</b>	-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)



- FY 2025 GET growth was **3.33%**
- FY 2026 YTD growth (Jul-Nov) is **7.2%**

### Individual Income Tax Collections (\$ Million)



Individual Income Tax Collections

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY
<b>FY2025</b>	\$278	\$220	\$361	\$337	\$217	\$279	\$328	\$98	\$154	\$539	\$208	\$268	\$3,288
<b>FY2024</b>	\$226	\$270	\$297	\$271	\$220	\$247	\$383	\$119	\$148	\$589	\$215	\$296	\$3,282
<b>YOY % Ch</b>	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%
<b>YTD % Ch</b>	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	<b>Individual Income Tax Cut.</b> 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	<b>GET Exemption.</b> 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)
<b>Total</b>		<b>(\$240.3)</b>	<b>(\$630.2)</b>	<b>(\$817.6)</b>	<b>(\$1,003.7)</b>	<b>(\$1,137.1)</b>	<b>(\$1,350.5)</b>

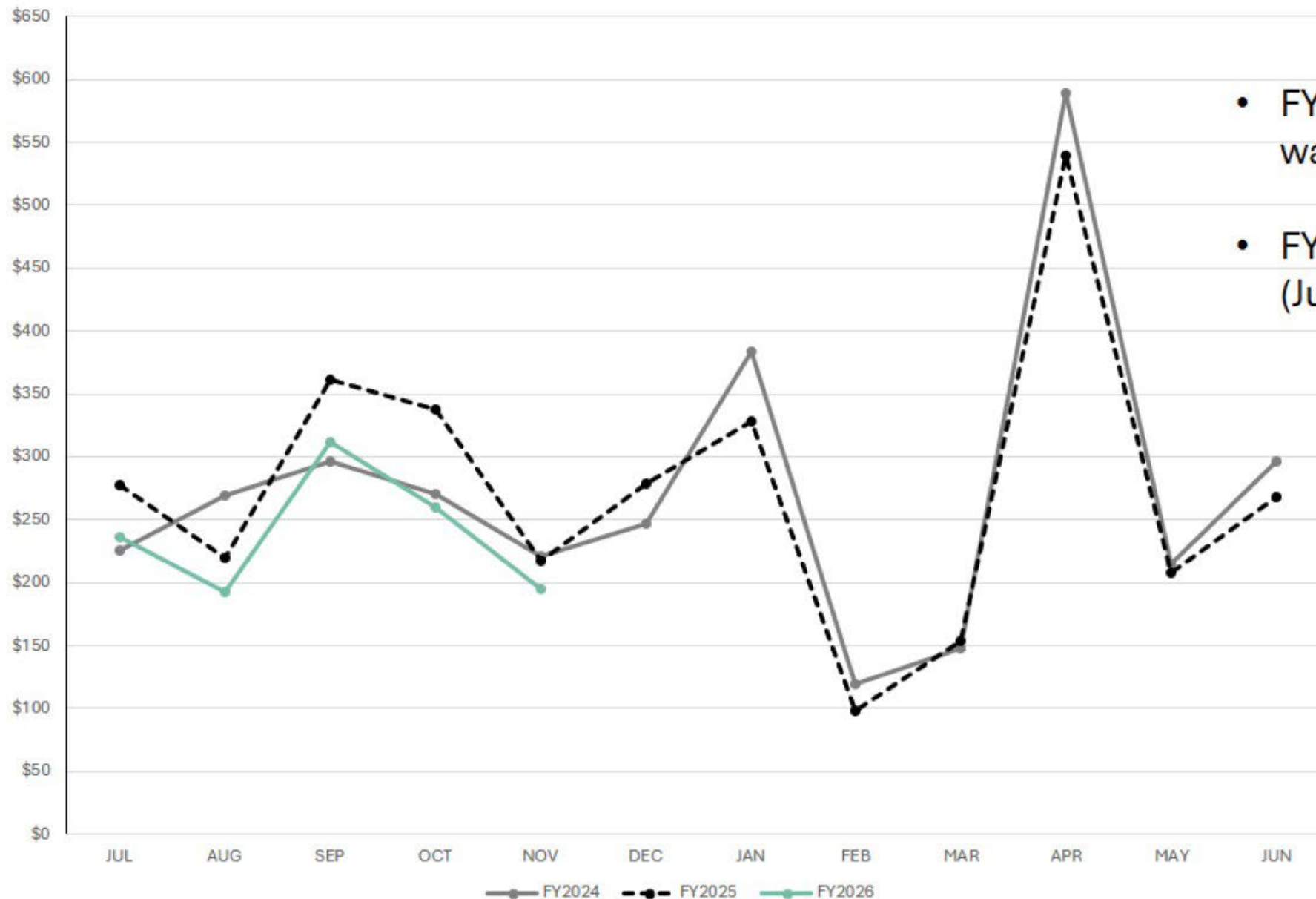
## ACT 46, SLH 2024

### 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)



- FY 2025 IIT growth was **0.2%**
- FY 2026 YTD growth (Jul-Nov) is **-15.5%**

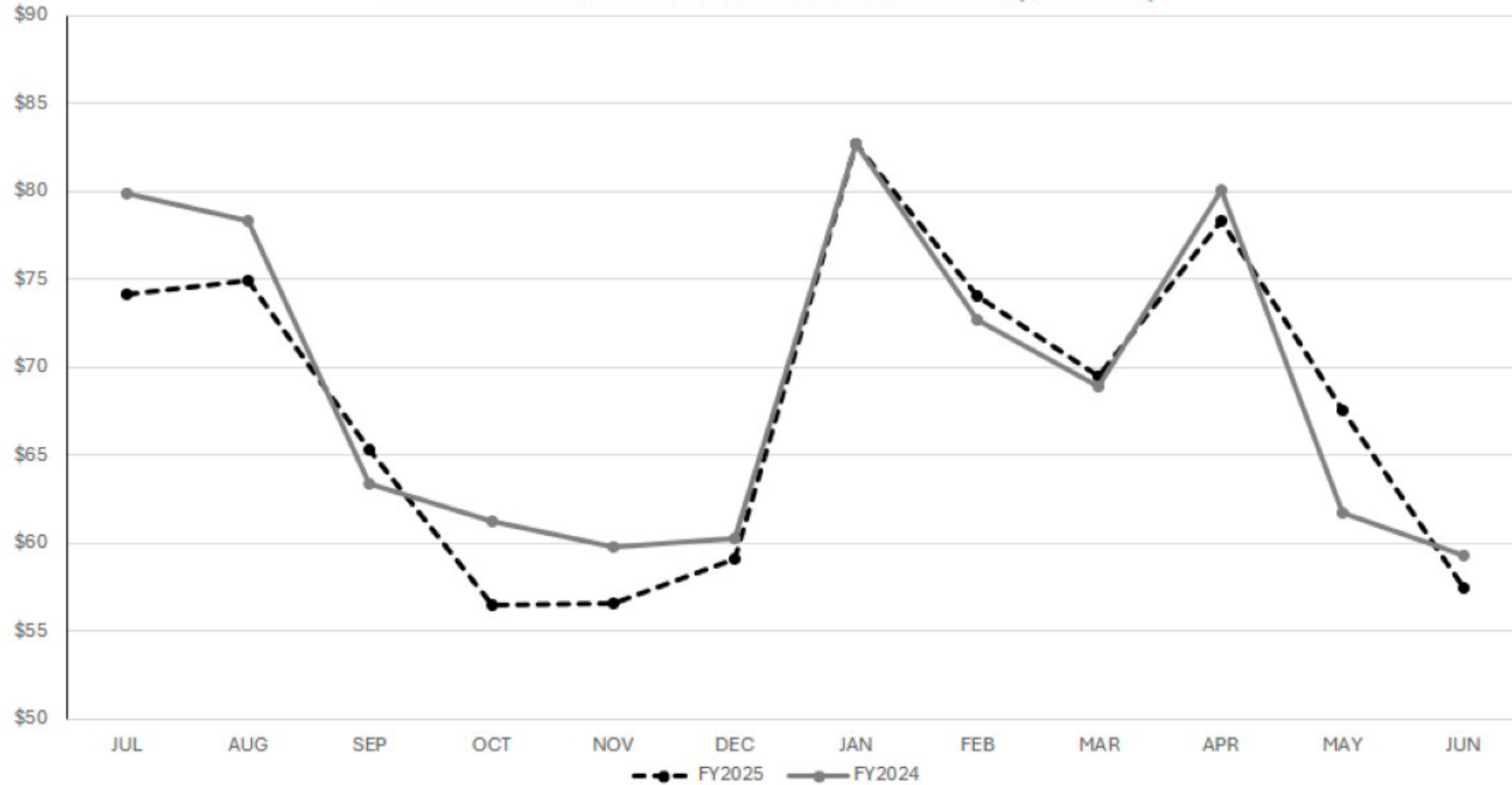
## Major Tax-Related Measures Passed by the 2025 Legislature and Enacted into Law

### 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	<b>Pass-Through Entity (PTE) Tax Add-Back</b> 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	<b>Transient Accommodations Tax Increase and Imposition on Cruise Ships</b> 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
<b>Total</b>		<b>\$71.3</b>	<b>\$117.8</b>	<b>\$120.4</b>	<b>\$122.9</b>	<b>\$124.5</b>	<b>\$125.3</b>	<b>\$129.2</b>

Transient Accommodations Tax Collections (\$ Million)

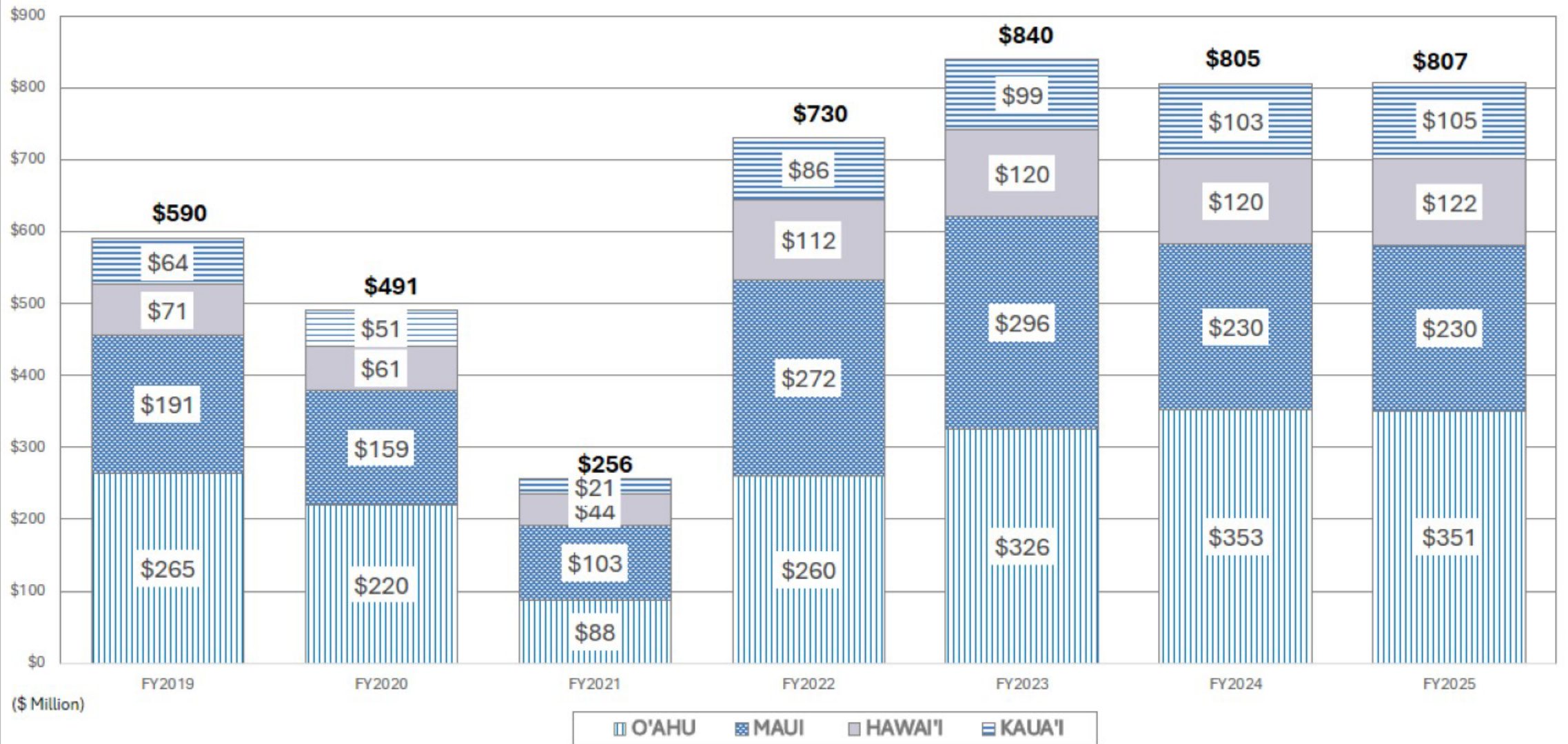


Transient Accommodations Tax Collections

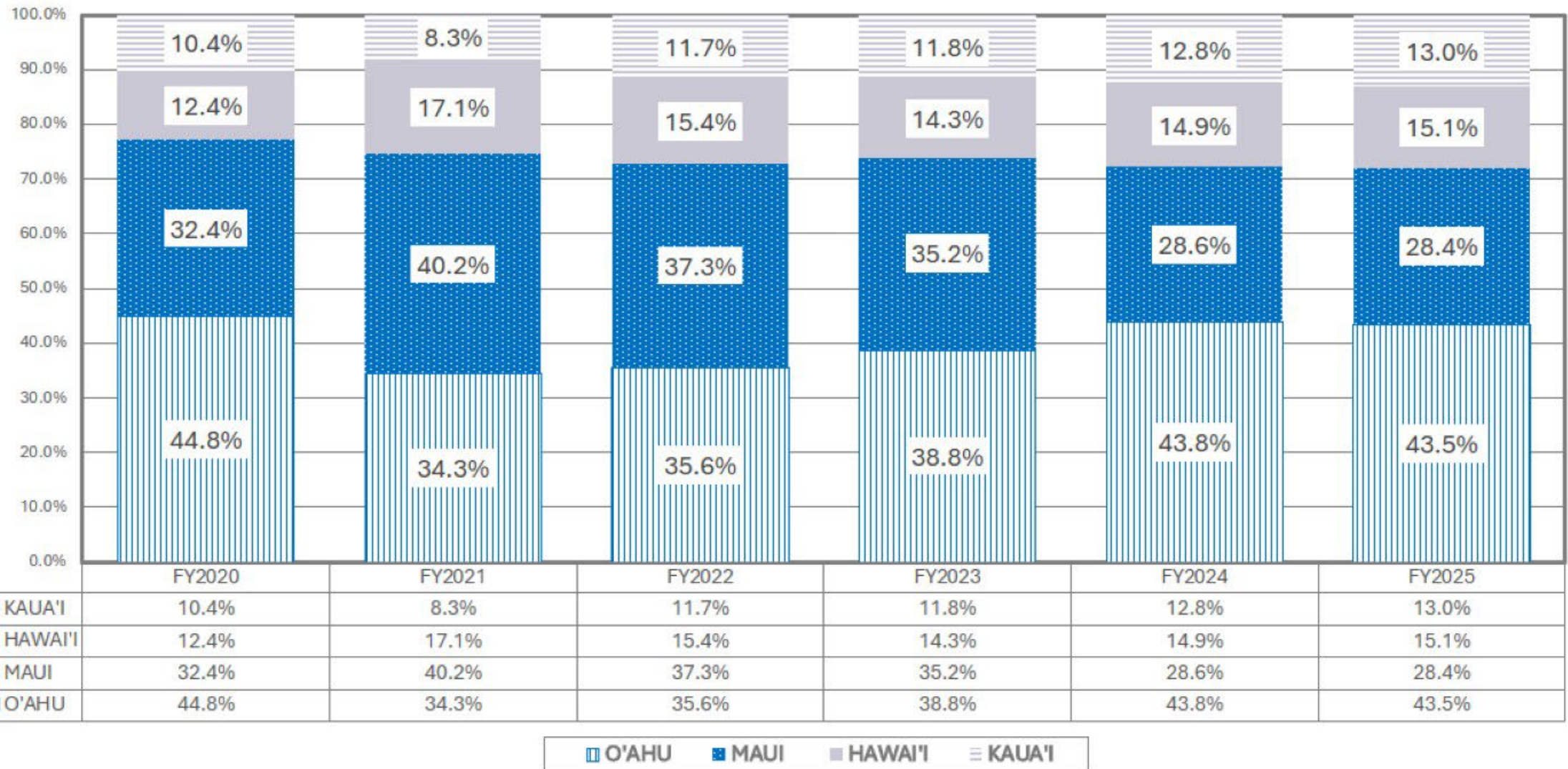
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY
<b>FY2025</b>	\$74	\$75	\$65	\$57	\$57	\$59	\$83	\$74	\$69	\$78	\$68	\$57	\$816
<b>FY2024</b>	\$80	\$78	\$63	\$61	\$60	\$60	\$83	\$73	\$69	\$80	\$62	\$59	\$828
<b>YOY % Ch</b>	-7.11%	-4.33%	3.12%	-7.78%	-5.26%	-1.97%	-0.04%	1.83%	0.84%	-2.17%	9.38%	-3.17%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



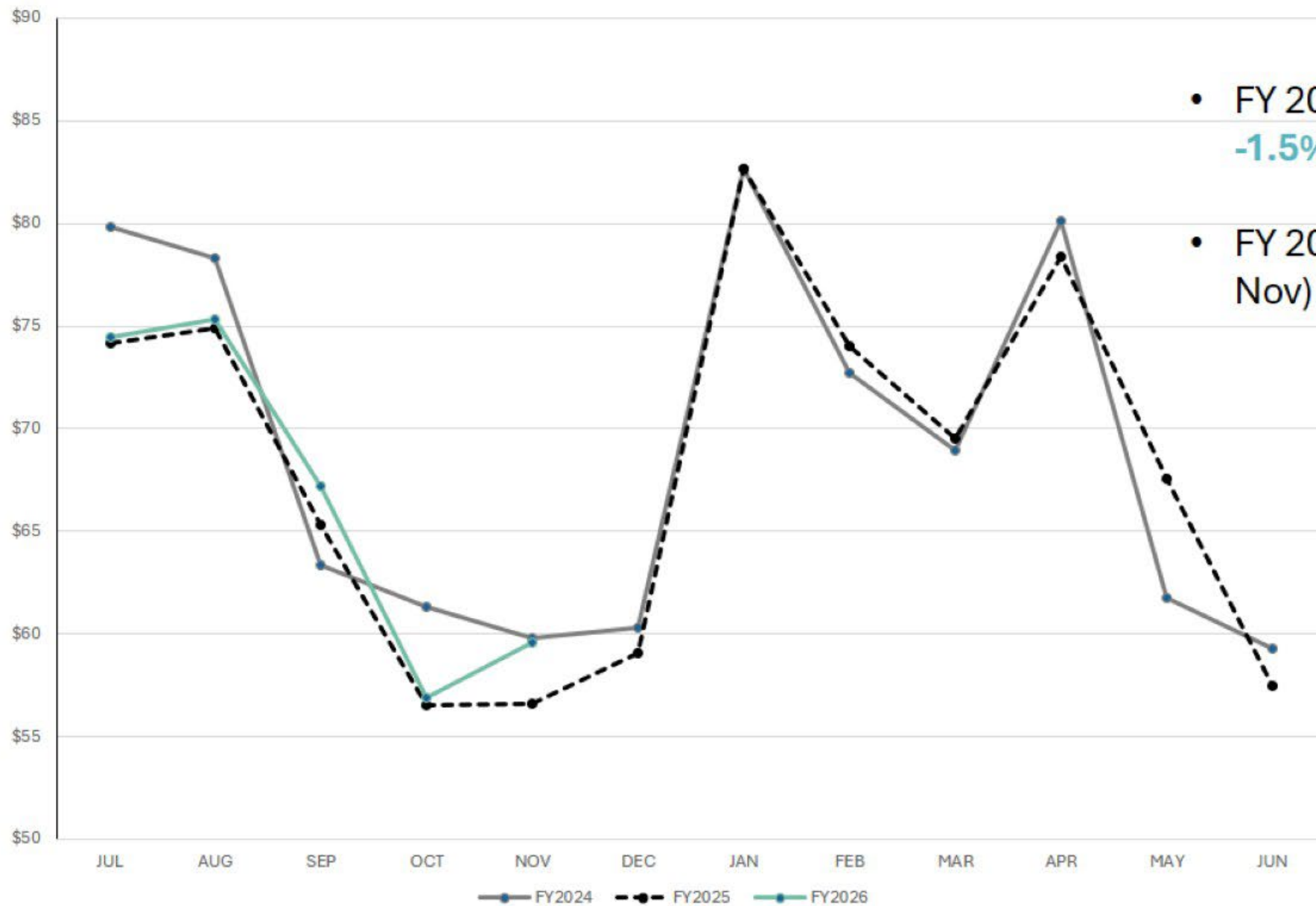
TRANSIENT ACCOMMODATIONS TAX LIABILITY BY TAX DISTRICT (\$ Million)



### TRANSIENT ACCOMMODATIONS TAX LIABILITY COMPOSITION BY TAX DISTRICT

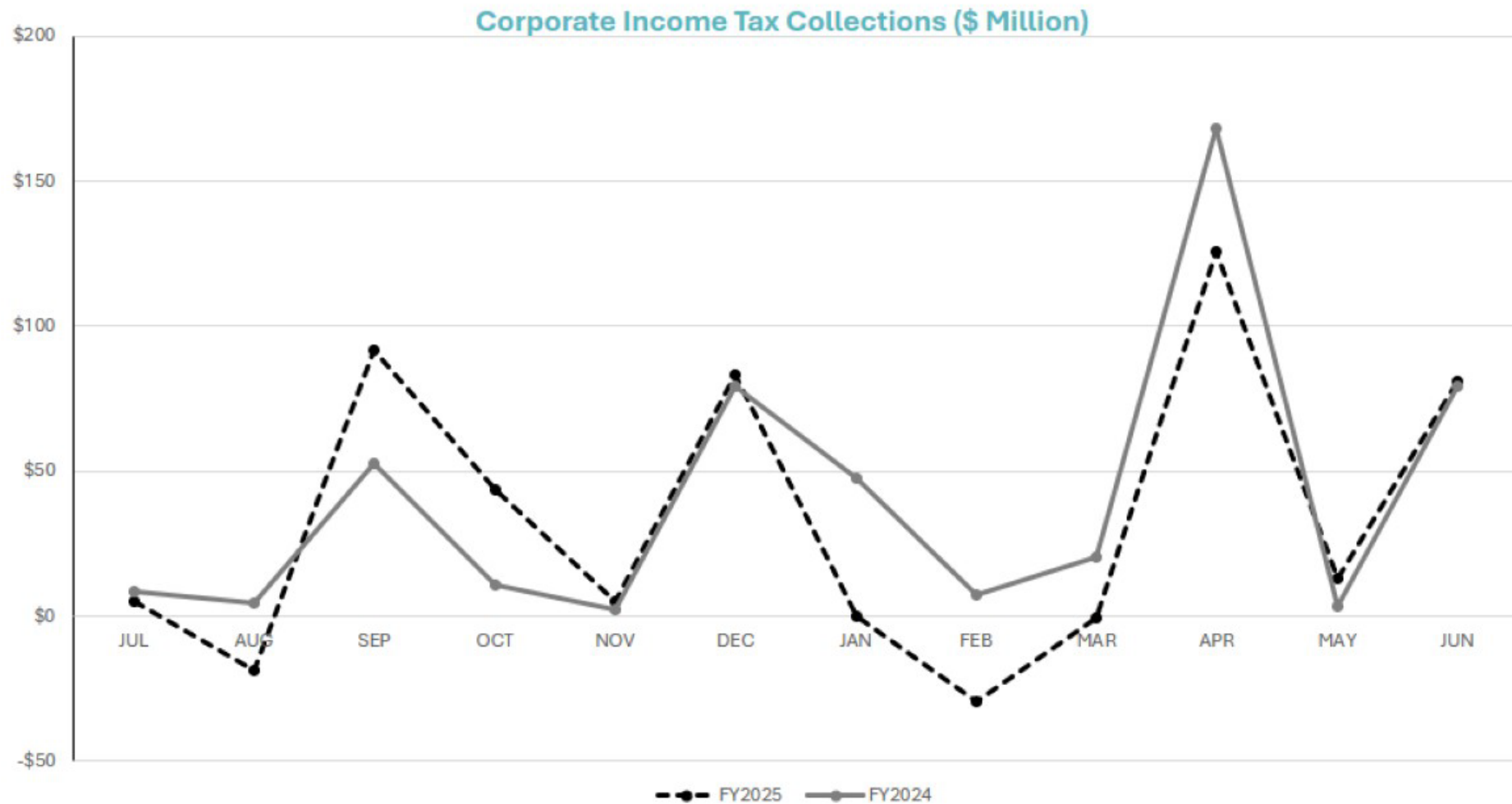


## Transient Accommodations Tax Collections (\$ Million)



- FY 2025 TAT growth was **-1.5%**

- FY 2026 YTD growth (Jul-Nov) is **1.8%**

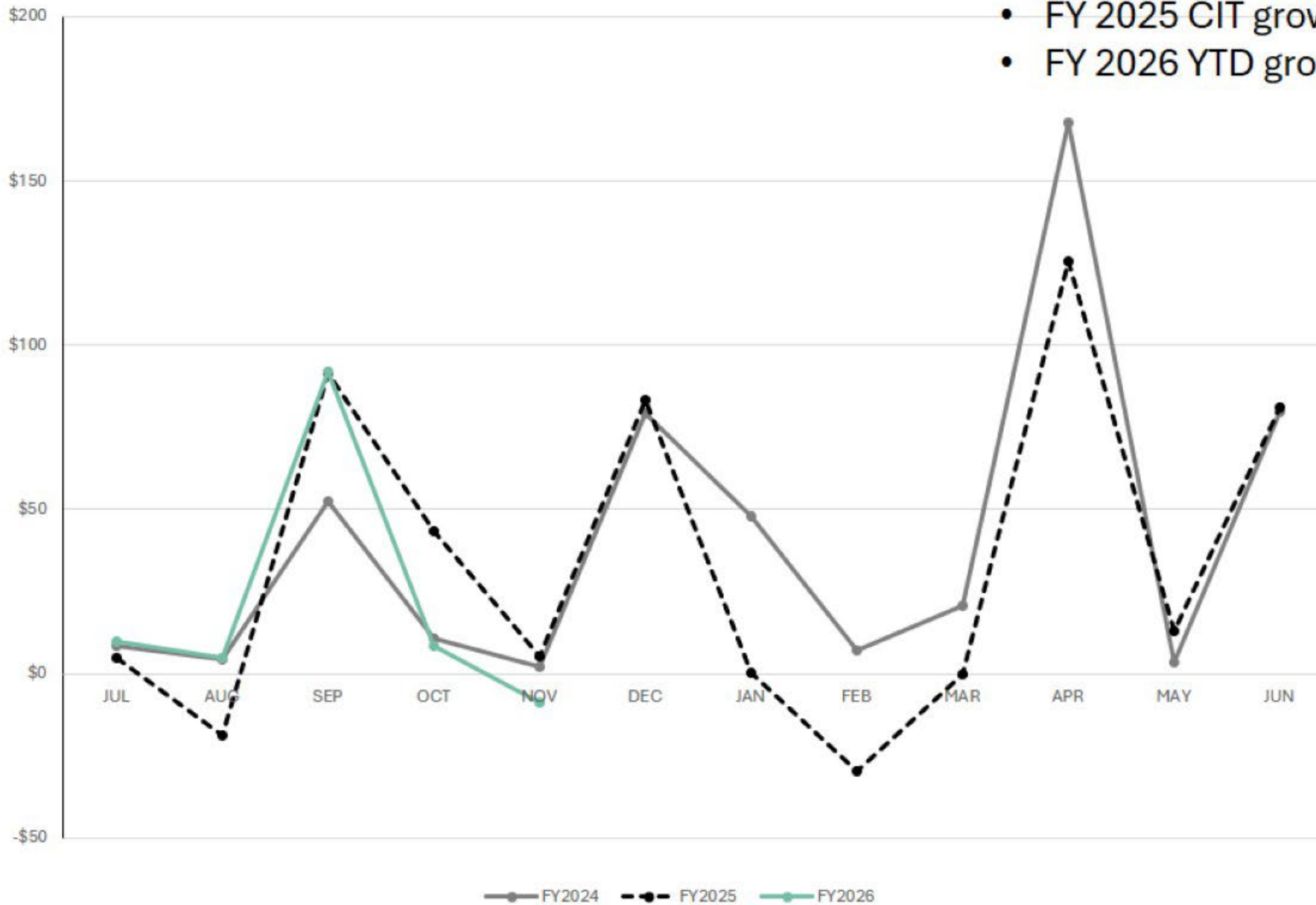


Corporate Income Tax Collections													
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY
<b>FY2025</b>	\$5	-\$19	\$92	\$44	\$5	\$83	\$0	-\$29	\$0	\$126	\$13	\$81	\$400
<b>FY2024</b>	\$8	\$5	\$53	\$11	\$2	\$79	\$48	\$7	\$21	\$168	\$4	\$80	\$484
<b>YOY % Ch</b>	-40.82%	-515.08%	74.48%	298.70%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



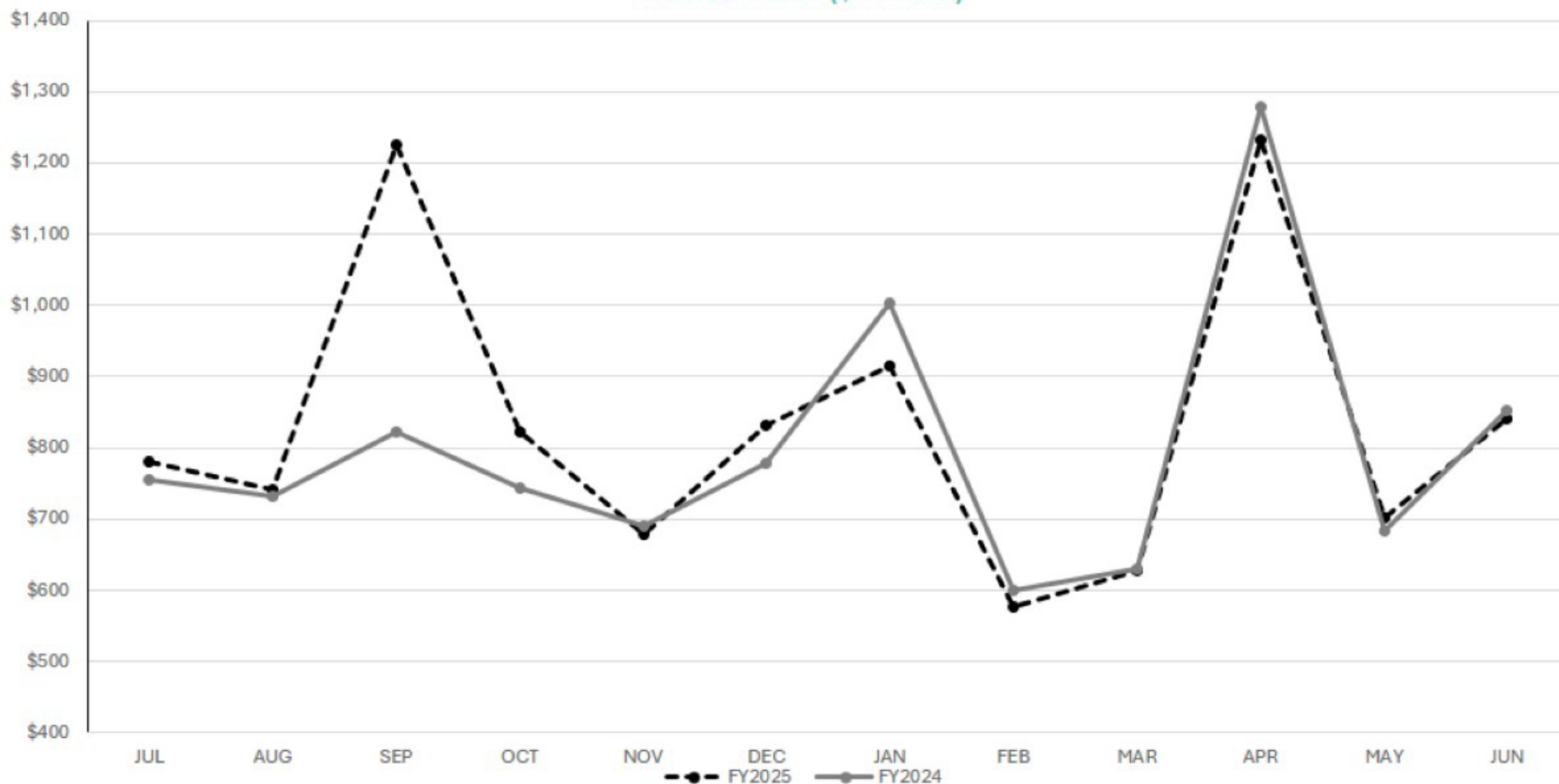
### Corporate Income Tax Collections (\$ Million)

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



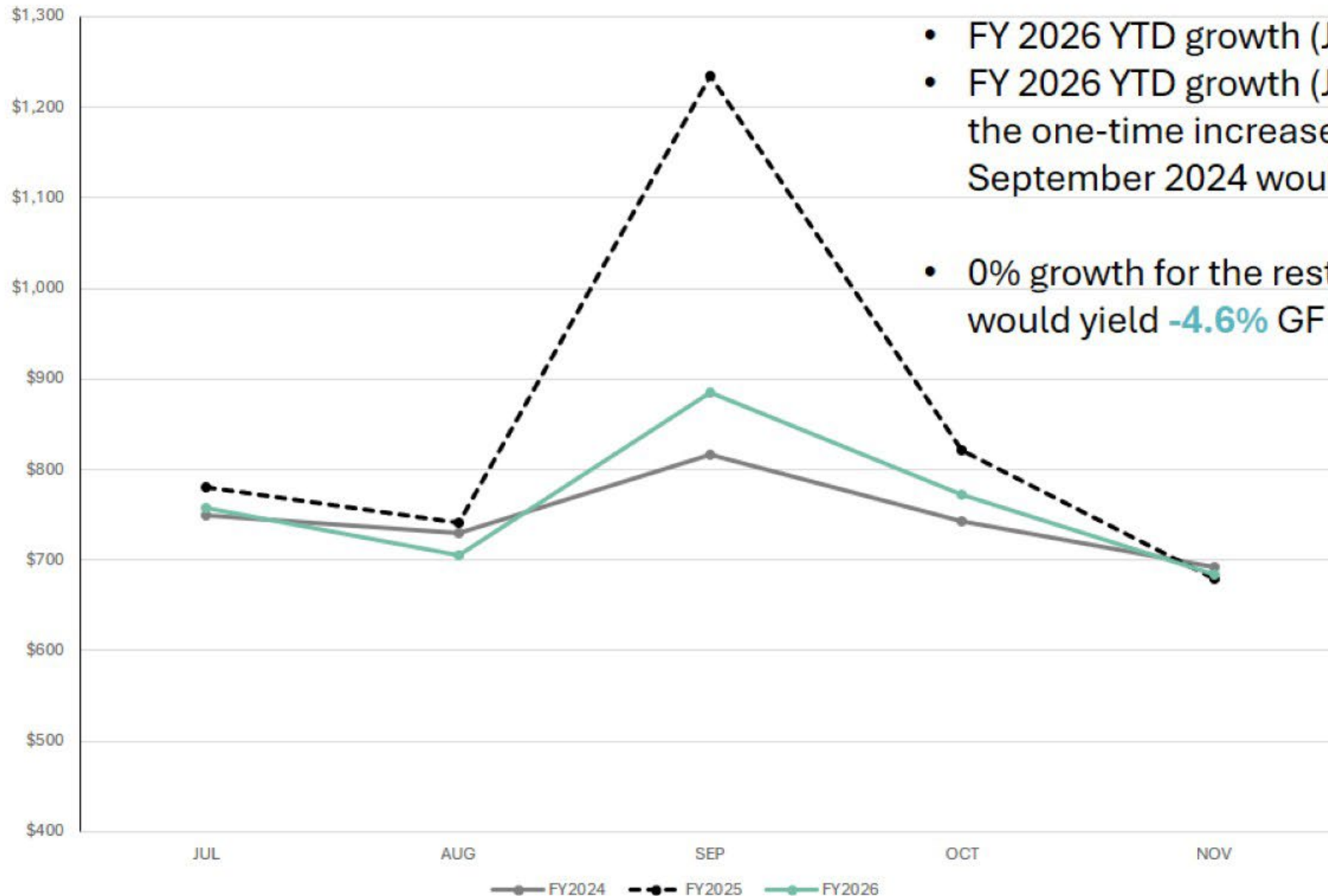


General Fund (\$ Million)



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FY
<b>FY2025</b>	\$780	\$742	\$1,225	\$822	\$678	\$831	\$916	\$577	\$628	\$1,232	\$702	\$841	\$9,974
<b>FY2024</b>	\$755	\$731	\$823	\$744	\$691	\$778	\$1,004	\$599	\$631	\$1,278	\$683	\$852	\$9,568
<b>YOY % Ch</b>	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%
<b>YTD % Ch</b>	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)



- FY 2026 YTD growth (Jul-Nov) is **-10.5%**
- FY 2026 YTD growth (Jul-Nov) removing the one-time increase in estate taxes in September 2024 would be **-3.2%**
- 0% growth for the rest of the fiscal year would yield **-4.6%** GF growth for FY 2026

ACTUAL		COR FORECAST: AS OF SEPTEMBER 2025						
FY 2024	FY 2025	FY2026	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%

**GENERAL FUND REVENUE**  
 ACTUAL (FY 2024-FY 2025) AND FORECAST (FY 2026-FY2032)  
 (in \$1,000)



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Tax Research & Planning Officer

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