

ACT 73

H.B. NO. 1687

A Bill for an Act Relating to Conveyance Tax.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 247-2, Hawaii Revised Statutes, is amended to read as follows:

**“Sec. 247-2 Basis and rate of tax.** The tax herein shall be based on the actual and full consideration paid or to be paid, which shall include any liens or encumbrances thereon at the time of sale, lease, sublease, assignment, transfer, or convey-

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ance, and shall be at the rate of five cents per one hundred dollars of such actual and full consideration; provided that in the case of a lease or sublease, the provisions of this chapter shall apply only to a lease or sublease whose full unexpired term is for a period of five years or more, and in those cases, including (where appropriate) those cases where the lease has been extended or amended, the tax herein shall be based on the cash value of the lease rentals discounted to present day value and capitalized at the rate of six per cent, plus the actual and full consideration paid or to be paid for any and all improvements, if any, which shall include on site as well as off site improvements, applicable to the leased premises, and provided further that the tax imposed for each transaction shall be not less than \$1.”

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored.\*

SECTION 3. This Act shall take effect on July 1, in the year of its approval.

(Approved May 16, 1979.)

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\*The text has been edited pursuant to HRS §23G-16.5, authorizing omission of the brackets, bracketed material, and underscoring.