

ACT 18

H.B. NO. 966

A Bill for an Act Relating to Section 237-23, Hawaii Revised Statutes.

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

SECTION 1. Section 237-23, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) The exemptions enumerated in subsection (a)(3) to (7) shall apply only:

- (1) To those persons who shall have registered with the department of taxation by filing a written application for registration in such form as the department shall prescribe, shall have paid the registration fee of \$20, and shall have had the exemption allowed by the department or by a court or tribunal of competent jurisdiction upon appeal from any assessment resulting from disallowance of the exemption by the department;
- (2) To activities from which no profit inures to the benefit of any private stockholder or individual, except for death or other benefits to the members of fraternal societies; and
- (3) To the fraternal, religious, charitable, scientific, educational, communal, or social welfare activities of such persons, or to the activities of hospitals, infirmaries, sanitarium, and potable water companies, as such, and not to any activity the primary purpose of which is to produce income even though the income is to be used for or in furtherance of the exempt activities of such persons.”

SECTION 2. New statutory material is underscored.

SECTION 3. This Act, upon its approval, shall take effect retroactively to taxable years beginning after December 31, 2011.

(Approved April 23, 2015.)