

A Bill for an Act Relating to the Tax Review Commission.

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

SECTION 1. Section 232E-3, Hawaii Revised Statutes, is amended to read as follows:

“§232E-3 Duties. The commission shall conduct a systematic review of the State’s tax structure, using such standards as equity and efficiency. Thirty days prior to the convening of the second regular session of the legislature after the members of the commission have been appointed, the commission shall submit to the legislature an evaluation of the State’s tax structure and recommend revenue and tax policy, except that:

- (1) For the commission appointed on or before July 1, 1980, or the replacement commission intended to function prior to the appointment of a new commission on or before July 1, 1985, the commission shall submit the required evaluation and recommendations to the legislature thirty days prior to the convening of the regular session of 1985; ~~and~~
- (2) For the commission appointed on or before July 1, 2010, or the successor commission intended to function prior to the appointment of a new commission on or before July 1, 2015, the commission shall submit the required evaluation and recommendations to the legislature thirty days prior to the convening of the regular session of 2013[-]; and
- (3) For the commission appointed on or before July 1, 2015, or the successor commission intended to function prior to the appointment of a new commission on or before July 1, 2020, the commission shall submit the required evaluation and recommendations to the legislature thirty days prior to the convening of the regular session of 2018.”

SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$250,000 or so much thereof as may be necessary, for fiscal year 2016-2017 to be used by the tax review commission to conduct an evaluation of the State’s tax structure and recommend revenue and tax policy; provided that this appropriation shall not lapse at the end of fiscal year 2016-2017; provided further that all moneys that are unencumbered as of June 30, 2018, shall lapse as of that date.

The sum appropriated shall be expended by the department of taxation for the purposes of this Act.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval; provided that section 2 shall take effect on July 1, 2016.

(Approved July 6, 2016.)