

ACT 41

S.B. NO. 2514

A Bill for an Act Relating to Taxation.

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

SECTION 1. Chapter 237, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**“§237- Engaging in business in the State.** A person is engaging in business in the State, whether or not the person has a physical presence in the State, if in the current or immediately preceding calendar year:

- (1) The person’s gross income or gross proceeds from the sale of tangible personal property delivered in the State, services used or consumed in the State, or intangible property used in the State is \$100,000 or more; or
- (2) The person sold tangible personal property delivered in the State, services used or consumed in the State, or intangible property used in the State in two hundred or more separate transactions.”

SECTION 2. New statutory material is underscored.<sup>1</sup>

**SECTION 3.** This Act shall take effect on July 1, 2018, and shall apply to taxable years beginning after December 31, 2017.

(Approved June 12, 2018.)

**Note**

1. Edited pursuant to HRS §23G-16.5.