



GOV. MSG. NO. 1193

EXECUTIVE CHAMBERS  
HONOLULU

DAVID Y. IGE  
GOVERNOR

June 5, 2015

The Honorable Ronald D. Kouchi,  
President  
and Members of the Senate  
Twenty-Eighth State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Joseph M. Souki,  
Speaker and Members of the  
House of Representatives  
Twenty-Eighth State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 5, 2015, the following bill was signed into law:

HB169 HD1 SD1 CD1

RELATING TO TAXATION  
**ACT 093 (15)**

Sincerely,

A handwritten signature in black ink that reads "David Y. Ige".

DAVID Y. IGE  
Governor, State of Hawai'i

JUN 5 2015

HOUSE OF REPRESENTATIVES  
TWENTY-EIGHTH LEGISLATURE, 2015  
STATE OF HAWAII

ACT 093  
H.B. NO.

169  
H.D. 1  
S.D. 1  
C.D. 1

---

---

# A BILL FOR AN ACT

RELATING TO TAXATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 SECTION 1. Section 237D-1, Hawaii Revised Statutes, is  
2 amended by amending the definition of "fair market rental value"  
3 to read as follows:

4 "Fair market rental value" means an amount equal to one-  
5 half of the gross daily maintenance fees that are paid by the  
6 owner[~~7~~] and are attributable to the time share unit[~~7~~and]  
7 located in Hawaii. Gross daily maintenance fees include  
8 maintenance costs, operational costs, insurance, repair costs,  
9 administrative costs, taxes, other than transient accommodations  
10 taxes, resort fees, and other costs including payments required  
11 for reserves or sinking funds. [~~The taxpayer shall use gross~~  
12 ~~daily maintenance fees, unless the taxpayer proves or the~~  
13 ~~director determines that the gross daily maintenance fees do not~~  
14 ~~fairly represent fair market rental value taking into account~~  
15 ~~comparable transient accommodation rentals or other appraisal~~  
16 ~~methods.] Amounts paid for optional goods and services such as  
17 food and beverage services or beach chair or umbrella rentals  
18 shall be excluded from fair market rental value."~~



1 SECTION 2. Section 237D-2, Hawaii Revised Statutes, is  
2 amended by amending subsection (c) to read as follows:

3 "(c) There is levied and shall be assessed and collected  
4 each month, on the occupant of a resort time share vacation  
5 unit, a transient accommodations tax of:

6 (1) 7.25 per cent on the fair market rental value[-] until  
7 December 31, 2015;

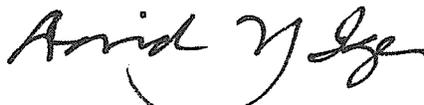
8 (2) 8.25 per cent on the fair market rental value for the  
9 period beginning on January 1, 2016, to December 31,  
10 2016; and

11 (3) 9.25 per cent on the fair market rental value for the  
12 period beginning on January 1, 2017, and thereafter."

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

15 SECTION 4. This Act shall take effect on January 1, 2016.

APPROVED this 5 day of JUN, 2015



GOVERNOR OF THE STATE OF HAWAII

