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## SENATE RESOLUTION

REQUESTING THE DEPARTMENT OF TAXATION TO REPORT THE FISCAL  
IMPACT AND RATE OF USAGE BY TAXPAYERS OF VARIOUS TAX  
CREDITS AND EXEMPTIONS UNDER CHAPTERS 235, 237, 239, AND  
244D, HAWAII REVISED STATUTES.

1           WHEREAS, in assessing the effectiveness and efficiency of  
2 any tax credit or exemption it is necessary to examine the  
3 fiscal impact and rate of usage by taxpayers of the tax credit  
4 and exemption; and  
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6           WHEREAS, tax credits and exemptions have an important and  
7 dramatic impact on the economy for the State of Hawaii; and  
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9           WHEREAS, the Department of Taxation has not submitted any,  
10 or at least an updated, fiscal impact statement and rate of  
11 usage by Hawaii's taxpayers of certain tax credits and  
12 exemptions listed under chapters 235, 237, 239, and 244D, Hawaii  
13 Revised Statutes; and  
14

15           WHEREAS, the Legislature would benefit greatly from a  
16 report by the Department of Taxation that analyzes the fiscal  
17 impact of certain tax credits and exemptions on the economy of  
18 the State of Hawaii and its taxpayers; now, therefore,  
19

20           BE IT RESOLVED by the Senate of the Twenty-fourth  
21 Legislature of the State of Hawaii, Regular Session of 2008,  
22 that the Department of Taxation is requested to review the  
23 fiscal impact and rate of usage by taxpayers of various tax  
24 credits and exemptions under chapters 235, 237, 239, and 244D,  
25 Hawaii Revised Statutes; and  
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27           BE IT FURTHER RESOLVED that the Department of Taxation is  
28 requested to report on the fiscal impact and rate of usage by  
29 taxpayers of the following tax credits and exemptions listed  
30 under chapters 235, 237, 239, and 244D, Hawaii Revised Statutes:  
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- 32           (1) Section 235-9.5 (stock options from qualified high  
33           technology businesses excluded from taxation);  
34



- 1 (2) Section 237-16.8 (general excise tax; exemption of  
2 certain convention, conference, and trade show fees);  
3
- 4 (3) Section 237-23 (general excise tax; exemptions,  
5 persons exempt, applications for exemption);  
6
- 7 (4) Section 237-23.5 (general excise tax; related  
8 entities; common paymaster; certain exempt  
9 transactions);  
10
- 11 (5) Section 237-24 (general excise tax; amounts not  
12 taxable);  
13
- 14 (6) Section 237-24.3 (general excise tax; additional  
15 amounts not taxable);  
16
- 17 (7) Section 237-24.5 (general excise tax; additional  
18 exemptions);  
19
- 20 (8) Section 237-24.7 (general excise tax; additional  
21 amounts not taxable);  
22
- 23 (9) Section 237-24.75 (general excise tax; additional  
24 exemptions);  
25
- 26 (10) Section 237-24.9 (general excise tax; aircraft service  
27 and maintenance facility);  
28
- 29 (11) Section 237-25 (general excise tax; exemptions of  
30 sales and gross proceeds of sales to federal  
31 government, and credit unions);  
32
- 33 (12) Section 237-26 (general excise tax; exemption of  
34 certain scientific contracts with the United States);  
35
- 36 (13) Section 237-27 (general excise tax; exemption of  
37 certain petroleum refiners);  
38
- 39 (14) Section 237-27.5 (general excise tax; air pollution  
40 control facility);  
41
- 42 (15) Section 237-27.6 (general excise tax; solid waste  
43 processing, disposal, and electric generating  
44 facility; certain amounts exempt);



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- 2 (16) Section 237-28.1 (general excise tax; exemption of
- 3 certain shipbuilding and ship repair business);
- 4
- 5 (17) Section 237-29 (general excise tax; exemptions for
- 6 certified or approved housing projects);
- 7
- 8 (18) Section 237-29.5 (general excise tax; exemption for
- 9 sales of tangible personal property shipped out of the
- 10 State);
- 11
- 12 (19) Section 237-29.53 (general excise tax; exemption for
- 13 contracting or services exported out of State);
- 14
- 15 (20) Section 237-29.55 (general excise tax; exemption for
- 16 sale of tangible personal property for resale at
- 17 wholesale);
- 18
- 19 (21) Section 237-29.8 (general excise tax; call centers;
- 20 exemption; engaging in business; definitions);
- 21
- 22 (22) Section 239-6.5 (public service company tax; tax
- 23 credit for lifeline telephone service subsidy);
- 24
- 25 (23) Section 239-12 (public service company tax; call
- 26 centers; exemption; engaging in business;
- 27 definitions); and
- 28
- 29 (24) Section 244D-4.3 (liquor tax; exemption for sales of
- 30 liquor out of the State); and
- 31

32 BE IT FURTHER RESOLVED that the Department of Taxation is  
 33 requested to report its findings regarding the fiscal impact and  
 34 rate of usage by taxpayers of the tax credits and exemptions  
 35 listed above to the Legislature no later than twenty days prior  
 36 to the convening of the 2009 Regular Session; and

37  
 38 BE IT FURTHER RESOLVED that certified copies of this  
 39 Resolution be transmitted to the Governor of the State of Hawaii  
 40 and the Director of Taxation.

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OFFERED BY: Carol Fukushima

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