

Honolulu, Hawaii

May 5, 2009

RE: H.B. No. 1404
H.D. 1
S.D. 1
C.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir and Madam:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1404, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this bill is to make the general excise tax exemption amendments for timeshare operators and condominium submanagers permanent.

Your Committee on Conference has amended this bill by:

- (1) Establishing a cap of \$400,000 on amounts not taxable for:
 - (A) Managers, submanagers, or board of directors of an association of apartment owners or of certain nonprofit homeowners or community associations



pursuant to Section 237-24.3, Hawaii Revised Statutes (HRS); and

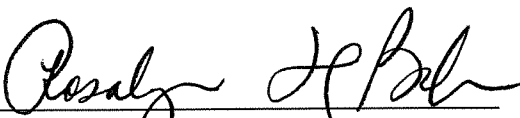
- (B) Hotel operators pursuant to Section 237-24.7, HRS.
- (2) Extending the general excise tax exemption amendments for timeshare operators and condominium submanagers by one year to December 31, 2010;
- (3) Making this measure effective upon its approval; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1404, H.D. 1, S.D. 1; as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1404, H.D. 1, S.D. 1, C.D. 1.


Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE

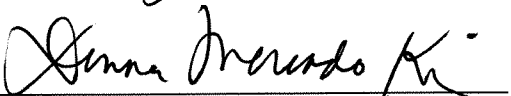
ON THE PART OF THE HOUSE



ROSALYN H. BAKER, Chair



MARCUS R. OSHIRO, Chair



DONNA MERCADO KIM, Co-Chair



