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# A BILL FOR AN ACT

RELATING TO TAXATION.

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

1           SECTION 1. Chapter 235, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§235-       Wagering winnings; waiver. (a) Upon payment of  
5 a \$           fee, a taxpayer may acquire from the department of  
6 taxation, a written waiver that exempts the taxpayer from  
7 reporting all wagering or gambling winnings that were acquired  
8 legally outside of the State, that would have been otherwise  
9 reportable under this chapter, and that were accrued during the  
10 period of the waiver; provided that:

11           (1) No waiver to exempt taxpayers under this section shall  
12           be issued until department of taxation has adopted  
13           rules pursuant to subsection (c).

14           (2) The waiver is valid for a specific consecutive five-  
15           day period during the taxable year for which the  
16           waiver applies;

17           (3) Waivers for multiple periods may be acquired;

18           (4) The \$       fee applies to each waiver;



1       (5) The waiver shall be acquired by the taxpayer at least  
2       twenty-four hours before the commencement of the  
3       period during which the waiver is in effect; and

4       (6) The waiver shall apply to all taxpayers, whether or  
5       not the taxpayer itemizes tax deductions;

6       (b) Waivers are not transferrable and may not be combined  
7       with any waiver acquired by other taxpayers.

8       (c) The department of taxation shall adopt rules pursuant  
9       to chapter 91 to effectuate this section; provided that:

10       (1) The waivers shall be acquired and paid on the  
11       department's website or other web-based system  
12       established by the department by credit card using  
13       appropriate web-based security technology; and

14       (2) The rules shall be in effect no later than January 1,  
15       2011."

16       SECTION 2. New statutory material is underscored.

17       SECTION 3. This Act shall take effect on January 1, 2011,  
18 and shall apply to taxable years beginning after December 31,  
19 2010.



**Report Title:**

Wagering Winnings; Exemption; Waiver Program

**Description:**

Establishes a waiver program to exempt a taxpayer's wagering winnings legally acquired outside of the State during a consecutive 5-day period.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

