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# A BILL FOR AN ACT

RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

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

1           SECTION 1. 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 a daily tax of \$10 for every transient accommodation  
5 that is furnished on a complimentary or gratuitous basis, or  
6 otherwise at no charge[~~, including transient accommodations  
7 furnished as part of a package.~~]; provided that for the purposes  
8 of this subsection, "complimentary or gratuitous basis":

9           (1) Includes transient accommodations furnished without  
10           tangible industry development or promotional purposes,  
11           such as prize giveaways, contestant winnings,  
12           charitable gifts, and as part of a travel package; and

13           (2) Does not include transient accommodations furnished as  
14           part of a tourism industry promotional or marketing  
15           activity, including familiarization tours, promotions  
16           to meeting and event planners, and publicizing the  
17           property as part of a marketing program."



1 SECTION 2. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 3. This Act shall take effect on July 1, 2012;  
4 provided that the amendments made to section 237D-2, Hawaii  
5 Revised Statutes, in section 1 of this Act shall not be repealed  
6 when section 237D-2, Hawaii Revised Statutes, is reenacted on  
7 June 30, 2015, pursuant to Act 61, Session Laws of Hawaii 2009.



**Report Title:**

Transient Accommodations Tax; Complimentary Rooms; Daily \$10 Tax

**Description:**

Clarifies that the daily \$10 tax on a transient accommodation furnished on a complimentary or gratuitous basis includes transient accommodations furnished without tangible industry development or promotional purposes, but does not include transient accommodations furnished as part of a tourism industry promotional or marketing activity. (SD1)

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