

JAN 18 2012

SENATE RESOLUTION

URGING THE GOVERNOR AND THE LEGISLATURE OF THE STATE OF HAWAII
TO PRESERVE THE COUNTIES' SHARE OF THE TRANSIENT
ACCOMMODATIONS TAX.

1 WHEREAS, the transient accommodations tax is a tax levied
2 by the State on the proceeds derived from furnishing transient
3 accommodations; and
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5 WHEREAS, in the 1990 legislative session, the Hawaii State
6 Legislature enacted Act 185 which gave the counties a share of
7 the transient accommodations tax; and
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9 WHEREAS, according to Conference Committee Report 207, the
10 purpose of Act 185 was to provide a more equitable method of
11 sharing state revenues with the counties rather than continuing
12 with the system existing at the time whereby the counties
13 requested financial assistance through grants in aid from the
14 state; and
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16 WHEREAS, the county share of the tax also provides more
17 stability to county finances and enables improved budgeting and
18 planning; and
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20 WHEREAS, currently, 44.8% of the total transient
21 accommodations tax collected by the state is distributed to the
22 counties; of this amount, the revenue is allocated as follows:
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24	Kauai County	-	14.5%
25	Hawaii County	-	18.6%
26	City and County of Honolulu	-	44.1%
27	Maui County	-	22.8%
28			<u>100.0%</u>

29
30 and
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S.R. NO. 3

1 WHEREAS, the transient accommodations tax revenues account
2 for a significant portion of the counties' general fund budgets;
3 and


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5 WHEREAS, maintaining the current allocation of the
6 transient accommodations tax would allow the counties to
7 continue providing essential government services to visitors and
8 residents; and

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10 WHEREAS, losing the current allocation of the transient
11 accommodations tax would require counties to significantly raise
12 property taxes; now, therefore,

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14 BE IT RESOLVED by the Senate of the Twenty-seventh
15 Legislature of the State of Hawaii, Regular Session 2012, that
16 the Governor and the Legislature are urged to preserve the
17 counties' share of the transient accommodations tax; and

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19 BE IT FURTHER RESOLVED that certified copies of this
20 Resolution be transmitted to the Governor, the President of the
21 Senate, the President of the Hawaii State Association of
22 Counties, and the Mayors of the counties of Kauai, Hawaii,
23 Honolulu, and Maui.

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OFFERED BY: 
By Request