

JAN 29 2015

A BILL FOR AN ACT

RELATING TO DISPOSITION OF TAX REVENUES.

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

1 SECTION 1. The purpose of this Act is to address taxes by
2 setting maximum amounts to be distributed to various non-general
3 funds pursuant to the cigarette tax and tobacco tax law. The
4 tax revenues remaining after distribution shall continue to be
5 deposited into the general fund.

6 By establishing maximum amounts for distribution, the
7 legislature intends that this Act:

- 8 (1) Make forecasts of general fund revenues more reliable;
9 (2) Increase legislative oversight of the agencies and
10 programs supported by the non-general funds; and
11 (3) Subject those agencies and programs to competition for
12 limited public funds if the agencies or programs want
13 more than the amount automatically distributed to
14 their non-general funds.

15 The legislature finds that this Act promotes budgetary
16 planning and transparency.



1 The legislature further finds that the transient
2 accommodations tax revenues are distributed among the convention
3 center, Hawaii tourism authority, and counties by dollar
4 amounts. That distribution method serves as the model for this
5 Act.

6 SECTION 2. Section 245-15, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "**§245-15 Disposition of revenues.** All moneys collected
9 pursuant to this chapter shall be paid into the state treasury
10 as state realizations to be kept and accounted for as provided
11 by law; provided that, of the moneys collected under the tax
12 imposed pursuant to:

13 (1) Section 245-3(a)(5), after September 30, 2006, and
14 prior to October 1, 2007, 1.0 cent per cigarette shall
15 be deposited to the credit of the Hawaii cancer
16 research special fund, established pursuant to section
17 304A-2168, for research and operating expenses and for
18 capital expenditures;

19 (2) Section 245-3(a)(6), after September 30, 2007, and
20 prior to October 1, 2008:



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1 (A) 1.5 cents per cigarette shall be deposited to the
2 credit of the Hawaii cancer research special
3 fund, established pursuant to section 304A-2168,
4 for research and operating expenses and for
5 capital expenditures;

6 (B) 0.25 cents per cigarette shall be deposited to
7 the credit of the trauma system special fund
8 established pursuant to section 321-22.5; and

9 (C) 0.25 cents per cigarette shall be deposited to
10 the credit of the emergency medical services
11 special fund established pursuant to section 321-
12 234;

13 (3) Section 245-3(a)(7), after September 30, 2008, and
14 prior to July 1, 2009:

15 (A) 2.0 cents per cigarette shall be deposited to the
16 credit of the Hawaii cancer research special
17 fund, established pursuant to section 304A-2168,
18 for research and operating expenses and for
19 capital expenditures;



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- 1 (B) 0.5 cents per cigarette shall be deposited to the
2 credit of the trauma system special fund
3 established pursuant to section 321-22.5;
- 4 (C) 0.25 cents per cigarette shall be deposited to
5 the credit of the community health centers
6 special fund established pursuant to section 321-
7 1.65; and
- 8 (D) 0.25 cents per cigarette shall be deposited to
9 the credit of the emergency medical services
10 special fund established pursuant to section 321-
11 234;
- 12 (4) Section 245-3(a)(8), after June 30, 2009, and prior to
13 July 1, 2013:
- 14 (A) 2.0 cents per cigarette shall be deposited to the
15 credit of the Hawaii cancer research special
16 fund, established pursuant to section 304A-2168,
17 for research and operating expenses and for
18 capital expenditures;
- 19 (B) 0.75 cents per cigarette shall be deposited to
20 the credit of the trauma system special fund
21 established pursuant to section 321-22.5;



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1 (C) 0.75 cents per cigarette shall be deposited to
2 the credit of the community health centers
3 special fund established pursuant to section 321-
4 1.65; and

5 (D) 0.5 cents per cigarette shall be deposited to the
6 credit of the emergency medical services special
7 fund established pursuant to section 321-234; and

8 (5) Section 245-3(a)(11), after June 30, 2013, and
9 thereafter:

10 (A) 2.0 cents per cigarette, but not more than
11 \$14,100,000 in a fiscal year, shall be deposited
12 to the credit of the Hawaii cancer research
13 special fund, established pursuant to section
14 304A-2168, for research and operating expenses
15 and for capital expenditures;

16 (B) 1.5 cents per cigarette, but not more than
17 \$10,600,000 in a fiscal year, shall be deposited
18 to the credit of the trauma system special fund
19 established pursuant to section 321-22.5;

20 (C) 1.25 cents per cigarette, but not more than
21 \$8,800,000 in a fiscal year, shall be deposited



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1 to the credit of the community health centers
2 special fund established pursuant to section 321-
3 1.65; and
4 (D) 1.25 cents per cigarette, but not more than
5 \$8,800,000 in a fiscal year, shall be deposited
6 to the credit of the emergency medical services
7 special fund established pursuant to section 321-
8 234.

9 The department shall provide an annual accounting of these
10 dispositions to the legislature."

11 SECTION 3. New statutory material is underscored.

12 SECTION 4. This Act shall take effect on July 1, 2015.

13

INTRODUCED BY: _____



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Report Title:

Cigarette Tax and Tobacco Tax Law; Distribution Maximums

Description:

Amends the cigarette tax and tobacco tax law by establishing maximum dollar amounts that shall be distributed among certain non-general funds. Retains provision that the general fund receive the remainder after distribution.

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

