

STAND. COM. REP. NO. 849

Honolulu, Hawaii

MAR 06 2015

RE: S.B. No. 1150
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1150 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to make permanent the fuel license tax on naphtha fuels sold for use in a power generating facility by amending session law to repeal the sunset provision related to the tax.

Your Committee received written comments in support of this measure from the Kauai Island Utility Cooperative. Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that, in 2007, the Legislature enacted a fuel license tax on naphtha fuels sold to a power generating facility. The tax is currently set at a rate of two cents per gallon. Pursuant to Act 103, Session Laws of Hawaii 2007, as amended by Act 198, Session Laws of Hawaii 2009, as amended by Act 188, Session Laws of Hawaii 2012, this tax is scheduled to be repealed on December 31, 2015. Your Committee further finds that it is the intent of this measure to maintain the current fuel license tax of two cents per gallon for naphtha fuels sold to a power generating facility. No other tax rates are intended to be increased by the measure.



Your Committee has amended this measure by:

- (1) Adding a section to explain the purpose of the measure;
and
- (2) Making technical nonsubstantive amendments for the
purposes of clarity and consistency.

Your Committee notes that the Department of Taxation proposed clarifying amendments to the measure. Your Committee believes that the measure, as amended, achieves the purpose of these proposed amendments.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1150, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1150, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

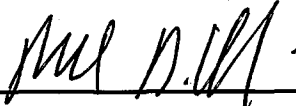


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB1150	ENE, WAM	2/27/15		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	✓			
KOUCHI, Ronald D. (VC)	✓			
CHUN OAKLAND, Suzanne				✓
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
GALUTERIA, Brickwood	✓			
HARIMOTO, Breene	✓			
INOUYE, Lorraine R.	✓			
RIVIERE, Gil	✓			
RUDERMAN, Russell E.				✓
SLOM, Sam	✓			
TOTAL	9	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">  </div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes