

STAND. COM. REP. NO.

704

Honolulu, Hawaii

March 6, 2015

RE: H.B. No. 169  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 169, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Amend the definition of fair market rental value used for the imposition of the transient accommodations tax; and
- (2) Gradually increase the transient accommodations tax rate imposed on resort time share vacation units by 1 percent each year until the amount of the tax rate is increased from the current 7.25 percent to 9.25 percent.

The American Resort Development Association Hawaii opposed this measure. The Department of Taxation, State-County Functions Working Group, Tax Foundation of Hawaii, Wyndham Vacation Ownership, Starwood Vacation Ownership, and Outrigger Enterprises Group commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 169, H.D. 1, and recommends that it pass Third Reading.

HB169 HD1 HSCR FIN HMS 2015-2263



Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



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SYLVIA LUKE, Chair



