

JAN 23 2015

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# A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. The legislature finds that the cost of living  
2 in Hawaii continues to increase significantly. According to the  
3 United States Department of Agriculture "Thrifty Food Plan," a  
4 family of two spends a monthly average of \$647 on groceries in  
5 Hawaii compared to \$367 on the mainland. The legislature  
6 understands that the broad base of the general excise tax  
7 contributes to the high cost of groceries in Hawaii and  
8 therefore finds it appropriate to exempt food purchased for home  
9 consumption from the general excise tax.

10 SECTION 2. Chapter 237, Hawaii Revised Statutes, is  
11 amended by adding a new section to be appropriately designated  
12 and to read as follows:

13 "§237- Exemption for food. (a) There shall be exempted  
14 from, and excluded from the measure of, the taxes imposed by  
15 this chapter all of the gross proceeds arising from the sale of  
16 food by eligible retail food stores.

17 (b) For the purposes of this section:



- 1        (1) "Food" means any food item intended for human
- 2        consumption that is intended for home consumption as
- 3        defined by the Food and Nutrition Act of 2008 (7 U.S.C.
- 4        sec 2012 k).
- 5        (2) "Eligible retail food store" means an establishment
- 6        that sells food for home preparation and consumption as
- 7        defined by the Food and Nutrition Act of 2008 (7 U.S.C.
- 8        sec 2012 o) in possession of a valid Supplemental
- 9        Nutrition Assistance Program permit issued by the
- 10       United States Department of Agriculture Food and
- 11       Nutrition Service.

12       SECTION 3. New statutory material is underscored.

13       SECTION 4. This Act shall take effect upon its approval  
14 and shall apply to taxable years beginning after December 31,  
15 2016.

INTRODUCED BY:

*[Handwritten signatures and names of legislators]*

*Thomas L. Brundage*  
~~*Thomas L. Brundage*~~  
*Russell E. Pugh*  
*Andy H. Bell*

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# S.B. NO. 957

**Report Title:**

General Excise Tax; Food

**Description:**

Provides an exemption for food from the general excise tax.

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

