

JAN 19 2018

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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. Chapter 231, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:  
4           "§231-       Persons without a physical presence in the  
5 State. Notwithstanding any other provision of law, any person  
6 selling tangible personal property, products transferred  
7 electronically, or services for delivery into the State or any  
8 of its counties, who does not have a physical presence in the  
9 State, shall be subject to title 14, shall remit the general  
10 excise tax, and shall follow all applicable procedures and  
11 requirements of law as if the person had a physical presence in  
12 the State; provided that the person meets either of the  
13 following criteria in the previous calendar year or the current  
14 calendar year:  
15           (1) The person's gross revenue from the sale of tangible  
16           personal property, products transferred  
17           electronically, or services delivered into the State



# S.B. NO. 2514

1           or any of its counties exceeds five thousand dollars;

2           or

3           (2) The person sold tangible personal property, products

4           transferred electronically, or services for delivery

5           into the State or any of its counties in two hundred

6           or more separate transactions."

7           SECTION 2. New statutory material is underscored.

8           SECTION 3. This Act, upon its approval, shall apply to

9 taxable years beginning after December 31, 2017.

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INTRODUCED BY:

*Donald R. Blawie* BR



# S.B. NO. 2514

**Report Title:**

Tax Administration; General Excise Tax; Use Tax; Online Sales; Interstate Sales; Collection

**Description:**

Subjects any person selling tangible personal property, products transferred electronically, or services for delivery into the State or any of its counties to title 14, HRS, and the general excise tax law; provided that the person had either \$5,000 in gross revenue or 200 or more separate transactions in either the previous or current calendar year.

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