
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Chapter 237, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§237- Engaging in business in the State. A person is
5 engaging in business in the State, whether or not the person has
6 a physical presence in the State, if in the current or
7 immediately preceding calendar year:

8 (1) The person's gross income or gross proceeds from the
9 sale of tangible personal property delivered in the
10 State, services used or consumed in the State, or
11 intangible property used in the State is \$100,000 or
12 more; or

13 (2) The person sold tangible personal property delivered
14 in the State, services used or consumed in the State,
15 or intangible property used in the State in two
16 hundred or more separate transactions."

17 SECTION 2. New statutory material is underscored.



1 SECTION 3. This Act, upon its approval, shall apply to
2 taxable years beginning after December 31, 2017.



Report Title:

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

Description:

Provides that a person is engaging in business in the State for the purpose of the general excise tax law if, in the current or immediately preceding calendar year, the person has \$100,000 or more in gross income, or two hundred or more separate transactions, from the sale of tangible personal property delivered in the State, services used or consumed in the State, or intangible property used in the State. (SD1)

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