

Honolulu, Hawaii

APR 23 2018

RE: S.B. No. 508  
S.D. 1  
H.D. 1  
C.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 508, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to change the percentage deducted and withheld from the disposition of Hawaii real property by nonresidents from five percent of the amount realized to an unspecified percentage.

Your Committee on Conference finds that section 235-68, Hawaii Revised Statutes, requires a withholding of income tax on the disposition of real property held by nonresidents. This withholding is sometimes referred to as "HARPTA", an acronym for Hawaii Real Property Tax Act. Your Committee on Conference further finds that this section was enacted to provide a means for the State to collect capital gains taxes from absentee property owners.



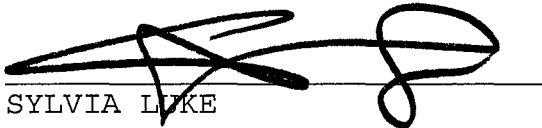
Your Committee on Conference has amended this measure by changing the withholding rate from an unspecified percentage to 7.25 percent.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 508, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 508, S.D. 1, H.D. 1, C.D. 1.

Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



SYLVIA LIKE  
Chair



DONOVAN M. DELA CRUZ  
Chair



GILBERT S.C. KEITH-AGARAN  
Co-Chair



Record of Votes of a  
Conference Committee

Bill / Concurrent Resolution No.: <b>SB 508, SD 1, HD 1</b>	Date/Time: <b>4/18/18 2:15 p.m.</b>
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
DELA CRUZ, Donovan M., Chr.	/				LUKE, Sylvia, Chr.	/			
KEITH-AGARAN, Gilbert S.C., Co-Chr.	/				CULLEN, Ty J.K.	/			
GALUTERIA, Brickwood	/				YAMASHITA, Kyle T.	/			
					TUPOLA, Andria P.L.				/
<b>TOTAL</b>	<b>3</b>				<b>TOTAL</b>	<b>3</b>			<b>1</b>

A = Aye                      WR = Aye with Reservations                      N = Nay                      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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**Distribution:**                      **Original**                      **Yellow**                      **Pink**                      **Goldenrod**  
*File with Conference Committee Report      House Clerk's Office      Senate Clerk's Office      Drafting Agency*