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# A BILL FOR AN ACT

RELATING TO SECTION 237-23, HAWAII REVISED STATUTES.

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

1           SECTION 1. Section 237-23, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3           "(b) The exemptions enumerated in subsection (a)(3) to (7)  
4 shall apply only:

5           (1) To those persons who shall have registered with the  
6 department of taxation by filing a written application  
7 for registration in such form as the department shall  
8 prescribe, shall have paid the registration fee of  
9 \$20, and shall have had the exemption allowed by the  
10 department or by a court or tribunal of competent  
11 jurisdiction upon appeal from any assessment resulting  
12 from disallowance of the exemption by the department;

13           (2) To activities from which no profit inures to the  
14 benefit of any private stockholder or individual,  
15 except for death or other benefits to the members of  
16 fraternal societies; and



1           (3) To the fraternal, religious, charitable, scientific,  
2           educational, communal, or social welfare activities of  
3           such persons, or to the activities of hospitals,  
4           infirmaries, sanitarium, and potable water companies,  
5           as such, and not to any activity the primary purpose  
6           of which is to produce income even though the income  
7           is to be used for or in furtherance of the exempt  
8           activities of such persons."

9           SECTION 2. New statutory material is underscored.

10          SECTION 3. This Act, upon its approval, shall take effect  
11 retroactively to taxable years beginning after December 31,  
12 2011.



**Report Title:**

General Excise Tax; Nonprofit Organizations

**Description:**

Corrects the inadvertent repeal of wording from section 237-23, Hawaii Revised Statutes and provides a retroactive effective date. (HB 966 HD1)

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

