
A BILL FOR AN ACT

RELATING TO GENERAL EXCISE TAX.

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- Supplemental Nutrition Assistance Program
5 eligible groceries exemption. (a) There shall be exempted and
6 excluded from the measure of the taxes imposed by this chapter
7 all of the gross proceeds or income arising from the sale of
8 Supplemental Nutrition Assistance Program eligible items.

9 (b) As used in this section:

10 "Food" or "food product" means substances, whether in
11 liquid, concentrated, solid, frozen, dried, or dehydrated form,
12 that are sold for ingestion or chewing by humans and are
13 consumed for their taste or nutritional value. "Food" or "food
14 product" does not include food or food ingredients sold from a
15 vending machine, whether cold or hot; alcoholic beverages;
16 dietary supplements; prepared food; or tobacco.



1 "Groceries" means any food or food product for home
2 consumption. The term "groceries" may be further defined by the
3 department by rule through the enumeration of items in rules or
4 tax informational releases; provided that the department shall
5 consult with the federal Food and Nutrition Service of the
6 United States Department of Agriculture in further defining the
7 term "groceries" for purposes of the Supplemental Nutrition
8 Assistance Program.

9 "Soft drinks" means non-alcoholic beverages that contain
10 natural or artificial sweeteners. "Soft drinks" does not
11 include beverages that contain:

- 12 (1) Milk or milk products;
13 (2) Soy, rice, or similar milk substitutes; or
14 (3) Greater than fifty per cent vegetable or fruit juice
15 by volume."

16 SECTION 2. New statutory material is underscored.

17 SECTION 3. This Act, upon its approval, shall apply to
18 taxable years beginning after December 31, 2021.



Report Title:

General Excise Tax; Supplemental Nutrition Assistance Program;
Groceries; Exemption

Description:

Establishes a general excise tax exemption for the gross proceeds or income from the sale of groceries that are eligible under the Supplemental Nutrition Assistance Program (SNAP), regardless of the means of purchase and the SNAP eligibility of the person. Applies to taxable years after 12/31/2021. (SD1)

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

