

STAND. COM. REP. NO. 1192-22

Honolulu, Hawaii

MAR 22 , 2022

RE: S.B. No. 2376  
S.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred  
S.B. No. 2376, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TOBACCO TAXES,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Repeal the deferred payment purchase option for  
cigarette tax stamps; and
- (2) Require licensees to pay for cigarette tax stamps at the  
time of purchase using cash, certified check, or bank  
transfer.

Your Committee received testimony in support of this measure  
from the Department of Taxation and one individual. Your  
Committee received comments on this measure from the Tax  
Foundation of Hawaii.

Your Committee finds that existing law authorizes deferred  
payment purchases for cigarette stamp fees. However, your  
Committee finds that deferred payment purchase of cigarette stamps  
is no longer necessary and that having the taxpayer pay upon  
purchase is the most efficient way to administer the cigarette  
stamps program.

2022-2256 SB2376 SD1 HSCR HMSO



As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2376, S.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development,

  
\_\_\_\_\_  
SEAN QUINLAN, Chair



**Record of Votes of the Committee on Economic Development**

<b>Bill/Resolution No.:</b> <span style="font-size: 1.2em;">SB 2376 SD1</span>	<b>Committee Referral:</b> <span style="font-size: 1.2em;">ECD, FIN</span>	<b>Date:</b> <span style="font-size: 1.2em;">3/16/22</span>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
ECD Members	Ayes	Ayes (WR)	Nays	Excused
1. QUINLAN, Sean (C)	✓			
2. HOLT, Daniel (VC)	✓			
3. BELATTI, Della Au	✓			
4. KOBAYASHI, Dale T.	✓			
5. ONISHI, Richard H.K.	✓			
6. SAYAMA, Jackson D.	✓			
7. TAKAYAMA, Gregg	✓			
8. OKIMOTO, Val				✓
<b>TOTAL (8)</b>	7	0	0	1
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation.				
<b>Vice Chair's or designee's signature:</b>				
<b>Distribution:</b> Original (White) – Committee           Duplicate (Yellow) – Chief Clerk's Office           Duplicate (Pink) – HMSO				