

JAN 20 2023

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- Exemption for medical services. (a) There
5 shall be exempted from, and excluded from the measure of, the
6 taxes imposed by this chapter all of the gross proceeds arising
7 from the sale of medical services.

8 (b) As used in this section:

9 "Cosmetic medical procedure" means any medical procedure
10 performed on an individual that is directed at improving the
11 individual's appearance and that does not meaningfully promote
12 the proper function of the body or prevent or treat illness or
13 disease. "Cosmetic medical procedure" does not include
14 reconstructive surgery.

15 "Medical services" means professional services provided by
16 hospitals and medical clinics and facilities that are licensed
17 by the appropriate state agencies and services rendered under



1 chapters 436E, 442, 447, 448, 448B, 451A, 451J, 451K, 452, 453,
2 453D, 455, 457, 457A, 457G, 458, 459, 461, 461J, 463E, 465,
3 465D, 466D, 466J, or 468E. "Medical services" does not include
4 services in connection with a cosmetic medical procedure.

5 "Reconstructive surgery" includes any surgery performed on
6 abnormal structures caused by or related to congenital defects,
7 developmental abnormalities, trauma, infection, tumors or
8 disease, including procedures to improve function or give a more
9 normal appearance."

10 SECTION 2. New statutory material is underscored.

11 SECTION 3. This Act shall take effect on July 1, 2023.

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INTRODUCED BY: _____

A handwritten signature in black ink, appearing to be 'AJO', is written over a horizontal line.

S.B. NO. 1134

Report Title:

General Excise Tax; Medical Services; Exemption

Description:

Exempts medical services from the general excise tax.

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

