

2001 Tax Acts & 2001 Special Session

Administrative Proposals				
Dept/No.	Description		Senate	House
TAX-02	MISCELLANEOUS - Appropriates \$9,005,858 for fiscal 2002 and \$10,751,003 for fiscal 2003 out of the integrated tax information management systems special fund for the performance based contract.			HB 715, ACT 113
TAX-06	ADMINISTRATION - Payment of taxes by electronic funds transfer. Repeals the 2% penalty for those taxpayers who voluntarily elect to pay by EFT.		SB 1192 ACT 44	
TAX-07	GENERAL EXCISE - Exemption for nonprofit corporations. Provides a "fastrack" for the application and qualification for GET exemption for those already recognized by the IRS as a 501(C)(3), (4), (6), or (8). Repeals the two-month limitation on the extension period for filing the exemption.		SB 1193, CD-1 ACT 125	
TAX-09	ADMINISTRATION - Confidentiality communications. Makes IRC section 7252 applicable to all state taxes.		SB 1195, SD-1 ACT 45	
TAX-14	PUBLIC SERVICE COMPANY - Disposition for counties. Represents the settlement between the state and counties over the sharing of PSC revenues. Counties would get the revenues generated from a rate greater than 4% from utilities operating in the respective county.		SB 1198, SD-1 ACT 64	
ATG-04	TOBACCO - Cigarette tax stamp enforcement and administrative special funds. Provides more specifics for the enforcement of the new law and appropriates funds to the tax department and attorney general. Provides a discount of 0.4% to the denominated value of the stamp for distributors who must stamp the product.		SB 992, CD-1 ACT 270	
ATG-08	TOBACCO - Prohibits the sale of exported cigarettes in the state.			HB 518, HD-1 ACT 32
Legislative Proposals				
INCOME	SB 264, SD-1	Allows certification for deafness to be done by an audiologist licensed under HRS chapter 468E.		ACT 36
	SB 493, CD-1	Allow contractors, architects, surveyors, pest control operators, and engineers to claim a credit for contributions of in-kind services made for the repair and maintenance of public schools. The credit shall be 10% of the value of contributions of in-kind services provided the value of such services does not exceed \$40,000 per year. Limits the amount of the credit that can be granted to \$250,000 per year.		ACT 309
	SB 699, HD-1	Provides for the constitutionally mandated tax refund credit of \$1.		ACT 119
	SB 854, HD-1	Conforms Hawaii income tax law to changes made by the federal code		ACT 199
	SB 1211, CD-1	Allows taxpayers to designate \$2 of their refund via a check-off mechanism to the proposed Hawaii school-level minor repairs and maintenance special fund.		ACT 311

	HB 175, CD-1	Provides a 4% technology infrastructure renovation tax credit; changes the recapture provisions for the high tech business investment tax credit from the actual amount of the credit claimed in the two previous years to 10% of the credit claimed in the previous two years if the concern goes out of business; income tax exclusion for certain performing arts products; exempts certain activities of public Internet data centers from the general excise and public service company tax; exempts sales of net operating losses from the general excise tax and clarifies income tax treatment of allocations of such sales. Expands definitions and clarifies existing exemptions for high technology businesses.	ACT 221
	HB 1074, CD-1	Allows taxpayers to claim a tax credit of 4% of the cost of constructing a new water storage facility or repairing or reconstructing an existing water storage facility that is part of a conservation plan approved by the local soil and water conservation district during the period between 1/1/01 and 12/31/05.	ACT 293
GET	SB 1264, HD-2	Provides that sales of aquacultural products to a licensed producer shall be considered a wholesale sale and taxed at 0.5%	ACT 164
	HB 407, CD-1	Requires the director of taxation to develop a system to determine when contractors from the mainland are present and working on federal projects for the purpose of enforcing laws relating to the collection of general excise taxes. Permits the hiring of attorneys, accountants, auditors, etc., to pursue claims of mainland contractors who have left the state.	ACT 206
	HB 1685, CD-1	Provides an exemption from the general excise and use tax for amounts received as lease rent for the leasing or rental of aircraft or aircraft engines used for the transportation of passengers or goods beginning July 1, 2001.	ACT 210
FUEL	HB 1345, HD-1	Adopts preferential fuel tax rates for alternative fuels used in motor vehicles operated on public highways based on their energy content as compared to diesel fuel.	ACT 143
CONVEY- ANCE	SB 41, CD-1	Provides that conveyance tax revenues paid into the natural reserve fund shall also be used for the youth conservation corps	ACT 268
MISC.	HB 1173, HD-1	Eliminates business license requirements for lodging or tenement houses.	ACT 35
		2001 Special Session	
ADMIN.	SB 5	Reduces the filing burden for taxpayers by increasing the filing thresholds for taxpayers filing withholding, general excise, use, transient accommodations, and rental motor vehicle and tour vehicle surcharge tax returns.	ACT 8
INCOME	SB 8, SD-2	Establishes a nonrefundable residential construction and remodeling tax credit of 4% of the residential construction or remodeling costs incurred between 1/1/01 and 6/30/02; limited to \$250,000 in the aggregate for each unit. Increases the hotel construction and remodeling tax credit from 4% to 10% (for costs incurred between effective date of bill and 6/30/03) and makes it nonrefundable. Provides that between 7/1/03 and 12/31/05, the hotel construction and remodeling tax credit shall be 4% and shall be refundable.	ACT 10
GET	SB 6	Allows transportation service providers to pay GET in lieu of PSC based on actual income received for current period, beginning on October 1, 2001..	ACT 9