

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE
Amendment Summary Form

Legislation: Bill 49 (2023) entitled "A BILL FOR AN ORDINANCE
ESTABLISHING CHAPTER 3.100, MAUI COUNTY CODE,
INSTITUTING A GENERAL EXCISE TAX SURCHARGE."

Proposer: Yuki Lei K. Sugimura, Chair
Budget, Finance, and Economic Development Committee

Description: Amend Bill 49 (2023) to update the title of the bill and the
section to add "and use," reference the appropriate sections of
the Hawaii Revised Statutes, update the allowable uses of
funds, and make other nonsubstantive revisions.

Motion: Move to amend Bill 49 (2023) as follows:

1. In the title of the bill and the title of the Section, add "and
use" between "excise" and "tax."
2. In Section 3.100.010, delete ".50" and insert "one-half."
3. In Section 3.100.030, insert "in accordance with Sections
237-8.6 and 238-2.6, Hawaii Revised Statutes" after
"surcharge."
4. In Section 3.100.040.A:
 - a. Delete "for the following purposes only, as prescribed
by state law;" and insert "in accordance with Section
46-16.8, Hawaii Revised Statutes. Allowable uses of
the fund include housing infrastructure; provided
that the surcharge revenues used for housing
infrastructure costs must not be passed on to the
developer of a housing project."
 - b. Delete subsections 1 and 2.
5. In section 3.100.040.B insert "pedestrian paths or
sidewalks on a county road near or around a public school"
after "includes" and "water reuse," after "sewer."

June 20, 2023, BFED Meeting

Bill 49 (2023)

6. Correct subsection D to subsection C.

7. In Sections 3.100.030 and 3.100.050, delete “tax” after “general excise.”

Effect: See attached proposed CD1 version of Bill 49 (2023).

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ORDINANCE NO. _____

BILL NO. _____ (2023)

A BILL FOR AN ORDINANCE ESTABLISHING CHAPTER 3.100,
MAUI COUNTY CODE, INSTITUTING A GENERAL EXCISE AND USE TAX
SURCHARGE

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Title 3, Maui County Code, is amended by adding a new chapter to be appropriately designated and to read as follows:

“Chapter 3.100

GENERAL EXCISE AND USE TAX SURCHARGE

Sections:

3.100.010 Establishment of surcharge.

3.100.020 General excise tax fund.

3.100.030 Administration.

3.100.040 Use of funds.

3.100.050 Termination of surcharge.

3.100.010 Establishment of surcharge. In accordance with section 46-16.8, Hawaii Revised Statutes, as amended, a one-half percent general excise and use tax surcharge on state tax is established. The general excise and use tax surcharge will be levied beginning January 1, 2024.

3.100.020 General excise tax fund. There is established and created a fund to be known as the “general excise tax fund” to serve as the exclusive depository of all funds received from the state director of taxation that derive from the imposition of the surcharge under this chapter. All money from this fund must be designated and used as described in section 3.100.040.

3.100.030 Administration. The state director of taxation must levy, assess, collect, and otherwise administer the general

excise and use tax surcharge in accordance with Sections 237-8.6 and 238-2.6, Hawaii Revised Statutes.

3.100.040 Use of funds. A. The council, in adopting each fiscal year's budget and capital program, must appropriate any surcharge received from the state in accordance with Section 46-16.8, Hawaii Revised Statutes. Allowable uses of the fund include housing infrastructure; provided that the surcharge revenues used for housing infrastructure costs must not be passed on to the developer of a housing project.

B. For the purpose of this chapter, "housing infrastructure" includes pedestrian paths or sidewalks on a county road near or around a public school, water, drainage, sewer, water reuse, waste disposal, and waste treatment systems that connect to the infrastructure of the county.

C. Any balance remaining in the general excise tax fund at the end of each fiscal year will not lapse but must remain in the fund, accumulating from year to year. The money in this fund must not be used for any purpose except those listed in this section.

3.100.050 Termination of surcharge. The general excise and use tax surcharge may not extend beyond December 31, 2030, unless authorized by state law."

SECTION 2. This ordinance takes effect upon its approval.

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