

STAND. COM. REP. NO.

186

Honolulu, Hawaii

Feb 8, 2007

RE: H.B. No. 92

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which
was referred H.B. No. 92 entitled:

"A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose of this bill is to promote the fair application
of the general excise tax (GET) by allowing securities
professionals to pay the GET only on their respective share of
commissions divided among a number of persons.

The National Association of Insurance and Financial Advisors-
Hawaii, Brookstreet Securities Corporation, SunAmerica Securities,
Inc., Linsco/Private Ledger Corp., and a concerned individual
testified in support of this bill. The Department of Taxation and
the Tax Foundation of Hawaii submitted comments.

Your Committee finds that certain professionals such as
insurance agents and real estate brokers and salespersons only pay
the GET on the amount of a commission actually received in cases
where the commission is split among a number of persons. This
bill extends the same treatment to securities professionals and
prevents their commissions from being subjected to the GET more
than once.

HB92 HSCR CPC HMS 2007-1908



As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 92 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ROBERT N. HERKES, Chair



