

# History of Hawaii tax increases 2010 - 2020

March 3, 2021

The previous decade brought unprecedented levels of tax increases at state and county levels.

## List of tax and fee increases

### 2010

- Act 59, increased the tax rate on cigarettes from 13 cents to 16 cents.<sup>49</sup>
- Act 204, increased the rental motor vehicle customer facility charge from \$1 to \$4.50 per day.<sup>50</sup>

### 2011

- Act 162, increased the state motor vehicle registration fees by \$20.<sup>51</sup>
- Act 86, increased the state motor vehicle tax by 1 cent per pound for each respective category.<sup>52</sup>
- Act 105, suspended select GET exemptions between 7/1/11 - 6/30/13.<sup>53</sup>
- Act 103, created a \$10 per day tax on complimentary transient accommodations.<sup>54</sup>
- Act 104, increased the rental motor vehicle surcharge from \$3 to \$7.50 to 6/30/12.<sup>55</sup>
- Act 36, increased the inspection, quarantine and eradication service fee from 50 cents to 75 cents for every 1,000 pounds of freight brought into the state.<sup>56</sup>

### 2012

- Act 180, created a fee of \$20 for each tax clearance application and \$5 for each copy of a tax clearance.<sup>57</sup>
- Act 220, created an estate and generation-skipping transfer tax of 10% to 15.7% of the net taxable estate.<sup>58</sup>
- Act 188, extended a 2-cent-per-gallon tax on naphtha fuel to 12/31/15.

<sup>59</sup>

### 2013

- Act 160, repealed GET exemption on liquor, cigarettes and tobacco products, and agricultural, meat or fish products.<sup>60</sup>

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<sup>49</sup> [Act 59](#) of 2010.

<sup>50</sup> [Act 204](#) of 2010.

<sup>51</sup> [Act 162](#) of 2011.

<sup>52</sup> [Act 86](#) of 2011.

<sup>53</sup> [Act 105](#) of 2011.

<sup>54</sup> [Act 103](#) of 2011.

<sup>55</sup> [Act 104](#) of 2011.

<sup>56</sup> [Act 36](#) of 2011.

<sup>57</sup> [Act 180](#) of 2012.

<sup>58</sup> [Act 220](#) of 2012.

<sup>59</sup> [Act 188](#) of 2012.

<sup>60</sup> [Act 160](#) of 2013.

- Act 161, made permanent a TAT of 9.25%. Eliminated the TAT on complimentary rooms.<sup>61</sup>

## 2014

- Act 107, extended the \$1.05 environmental response, energy and food security tax to 2030.<sup>62</sup>
- Act 110, established a car-sharing surcharge tax of 25 cents per half hour, capped at \$3 per day.<sup>63</sup>

## 2015

- Act 93, provided that the TAT rate on resort timeshare vacation units shall be 7.25% in 2015, 8.25% in 2016, and 9.25% in 2017 and thereafter.<sup>64</sup>
- Act 185, expanded the scope of the \$1.05 environmental response, energy and food security tax to apply to fossil fuels other than petroleum products based on each one million BTUs, excluding coal used to fulfill a signed power purchase agreement in effect on June 30, 2015.<sup>65</sup>

## 2016

- Act 76, restored the 2-cent-per-gallon tax on naphtha sold for use in a power-generating facility, retroactive to 2016.<sup>66</sup>

## 2017

- Act 107, hiked the income-tax rates for high income brackets over \$300,000 to 11%, the second-highest in the nation at the time.<sup>67</sup>
- Act 1 of special session, extended the 0.5% rail GET surcharge on Oahu to 2030, and authorized neighbor islands to establish a surcharge. Established a 1% TAT surcharge across the state for rail to 2030.<sup>68</sup>

## 2018

- Act 122, increased the HARPTA tax to 7.25% from 5%.<sup>69</sup>
- Act 39, expanded the GET to apply to intangible property acquired from an unlicensed seller and used in the state.<sup>70</sup>
- Act 41, expanded the GET to large online businesses.<sup>71</sup>

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<sup>61</sup> [Act 161](#) of 2013.

<sup>62</sup> [Act 107](#) of 2014.

<sup>63</sup> [Act 110](#) of 2014.

<sup>64</sup> [Act 93](#) of 2015.

<sup>65</sup> [Act 185](#) of 2015.

<sup>66</sup> [Act 76](#) of 2016.

<sup>67</sup> [Act 107](#) of 2017.

<sup>68</sup> [Act 1](#) of 2017.

<sup>69</sup> [Act 122](#) of 2018.

<sup>70</sup> [Act 39](#) of 2018.

<sup>71</sup> [Act 41](#) of 2018.

- Act 211, expanded the TAT to “brokers, travel agencies and tour packagers that enter into arrangements to furnish transient accommodations at noncommissioned negotiated contract rates on their share of the proceeds.”<sup>72</sup>
- Act 215, increased the rental motor vehicle surcharge from \$3 to \$5 for lessees without a valid Hawaii driver’s license. Increased the tour vehicle surcharge by \$1.<sup>73</sup>

#### 2019

- Act 260, repealed the Capital Infrastructure Tax Credit.<sup>74</sup>
- Act 250, created a parking fine of \$200.<sup>75</sup>
- Act 174, increased the rental motor vehicle surcharge tax to \$5 per day, up from \$3 per day.<sup>76</sup>
- Act 280, created an annual vehicle registration surcharge fee of \$50 for electric vehicles and alternative fuel vehicles.<sup>77</sup>
- Act 232, requires partnerships, estates and trusts to withhold all tax owed to the state from any gross income or adjusted gross income of a nonresident, effectively expanding the state income tax.<sup>78</sup>
- Act 221, required large e-commerce businesses to be subject to the state income tax.<sup>79</sup>

#### 2020

- None.

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<sup>72</sup> [Act 211](#) of 2018.

<sup>73</sup> [Act 215](#) of 2018,

<sup>74</sup> [Act 260](#) of 2019.

<sup>75</sup> [Act 250](#) of 2019.

<sup>76</sup> [Act 174](#) of 2019.

<sup>77</sup> [Act 280](#) of 2019.

<sup>78</sup> [Act 232](#) of 2019.

<sup>79</sup> [Act 221](#) of 2019.