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February 10, 2016

TO: The Honorable J. Kalani English, Vice-Chair
Senate Committee on Tourism and International Affairs
The Honorable Rosalyn H. Baker, Chair
Senate Committee on Commerce, Consumer Protection, and Health

FROM: Mike White
Council Chair 

SUBJECT: **HEARING OF FEBRUARY 10, 2016; TESTIMONY IN SUPPORT OF SB 2693, RELATING TO TAXATION**

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this bill is to allow transient accommodations brokers to register as tax collection agents to collect and remit State taxes on behalf of operators and plan managers using their services.

The Maui County Council has not had the opportunity to take a formal position on this matter. Therefore, I am providing this testimony in my capacity as an individual member of the Council.

I support this measure for the following reasons:

1. This measure would facilitate collection of Transient Accommodations Tax and General Excise Tax revenue from online vacation-rental brokers such as Airbnb or VRBO. Timely, equitable, and comprehensive collection of TAT and GET revenue is needed to appropriately fund services and infrastructure for residents and visitors.
2. This measure makes the process of tax collection easier for visitors, operators, and brokers. With the increasing prevalence of online vacation rental bookings, the State must evolve and develop easier ways to ensure all appropriate taxes are collected. Other jurisdictions throughout the nation and the rest of the world have also enacted similar legislation.

Also, if this measure moves forward, agents should be required to collect from all of their operators and plan managers TAT, GET, and county license permit numbers to ensure compliance with all State and county tax requirements.

For the foregoing reasons, I **support** this measure.