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COUNTY COUNCIL

COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.MauiCounty.us

February 18, 2020

TO:

The Honorable Sylvia Luke, Chair

House Committee on Finance

FROM:

Alice L. Lee

Council Chair

SUBJECT: HEARING OF REPRUARY 19, 2020; TESTIMONY IN SUPPORT OF HB

1776, RELATING TO TAXATION

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this measure is to extend the period in which a county may adopt a surcharge on the State General Excise Tax to June 30, 2021.

This measure is part of the Maui County Council's Legislative Package; therefore, I offer this testimony on the Council's behalf.

The Maui County Council supports this measure for the following reasons:

- 1. This measure would provide much-needed diversification of Maui County's ability to generate revenue, allowing for greater investment in infrastructure and other priorities for Maui County's residents while limiting the burden on residents subject to the Real Property Tax.
- 2. Maui County is the only county in the State that is not receiving the benefits of a GET surcharge.
- 3. Maui County Council legislative efforts to establish a GET surcharge are underway in anticipation of this measure's enactment. The Council referred my bill for an ordinance establishing the surcharge to its Economic Development and Budget Committee earlier this month.

For the foregoing reasons, the Maui County Council supports this measure.