



DEPARTMENT OF TAXATION

STATE OF HAWAII

July 21, 1978

TAX INFORMATION RELEASE

No. 58-78

RE: TAXATION OF STEVEDORING ACTIVITY

The implementation of the guidelines for the taxation of stevedoring and other interstate commerce activities published in Tax Information Release No. 56-78, issued June 15, 1978, is hereby suspended indefinitely. The effective date for their implementation was to have been July 1, 1978. Stevedoring and other interstate commerce activities and the proceeds derived therefrom have historically enjoyed exemption from State taxation and the exemption will continue for an indefinite period. No assessment of such taxes will therefore be made by the State of Hawaii at this time.

This action has been prompted by Governor George Ariyoshi's concern regarding the impact such an action will have upon the economy and welfare of this State. The Governor has also expressed his reservations regarding such an action at this time inasmuch as an activity which has heretofore historically been exempt from taxation because of constitutional principles is being made subject to our State taxes without legislative consideration.

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