

Council on Revenues DOTAX Presentation

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Major tax-related measures that were passed by the 2021 Legislature and that were enacted into law

Estimates of General Fund Tax Revenue Gain or (Loss)

(Dollar amounts are in \$ millions)

Act Number	Description	General Fund Revenue Gain (or Loss)						
		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Act 226, SLH 2021	Relaxes the rules on allocating the low-income housing tax credit (LIHTC). The Act also relaxes the installment method, at-risk, and passive activity loss rules and allows the Hawaii LIHTC to be claimed in the initial year even if federal Form 8609 has not been received by the taxpayer. The Act prohibits the deductions and expenses claimed by all Hawaii taxpayers to exceed the deductions and expenses claimed by all taxpayers on federal returns. The Act extends the shortened credit period provided by Act 129, SLH 2016, from tax year 2022 through tax year 2027. The Act became effective on July 1, 2021, and applies to taxable years beginning after December 31, 2020.							
		(\$7.8)	(\$24.1)	(\$24.9)	(\$25.6)	(\$26.4)	(\$27.2)	(\$28.0)
Act 1, 1st SSLH 2021	Authorizes the counties to establish and administer their won transient accommodations tax (TAT) at a maximum rate of 3%. The Act reduces the allocation to the convention center special fund from \$16.5 million to \$11 million. The Act also eliminates the \$79 million allocation to the tourism special fund and the \$103 million allocation to the counties. The Act became effective on July 1, 2021.							
		\$187.5	\$187.5	\$187.5	\$187.5	\$187.5	\$187.5	\$187.5
Total		\$179.7	\$163.4	\$162.6	\$161.9	\$161.1	\$160.3	\$159.5

PRELIMINARY COMPARATIVE STATEMENT OF STATE GENERAL FUND TAX REVENUES

August 2021

(Dollars in Thousands)

	CUMULATIVE TOTALS			DIFFERENCE		ADJUSTED	
	Aug 2021	2021-2022	2020-2021	AMOUNT	%CHANGE	ADJ AMT	% CHANGE
GE/Use Taxes	\$321,988	\$673,120	\$470,025	203,095	43.2%		43.2%
Income Tax - Corp.	(2,416)	10,766	19,694	(8,928)	-45.3%	-26,707	-253.5%
Decl. Est. Taxes	5,615	27,903	33,165				
Payment w/returns	2,797	3,256	8,760				
Refunds	(10,827)	(20,393)	(22,232)				
Income Tax - Ind.	219,627	446,718	651,092	(204,374)	-31.4%	-281,558	20.9%
Decl. Est. Taxes	45,406	90,410	259,457				
Payment w/returns	11,814	24,450	125,658				
WH Tax on Wages	183,125	381,371	354,114				
Refunds	(20,719)	(49,513)	(88,138)				
Special Fund	0	0	0				
Trans. Accom. Tax	68,450	132,526	9,608	122,919	1279.3%		-1279.3%
Convention Ctr. Enterprise Fund	(1,500)	(1,500)	0				
Tourism Special Fund	(11,000)	(11,000)	0				
Turtle Bay Conservation Fund	0	0	0				
Land & Development Fund	(3,000)	(3,000)	0				
Mass Transit Fund	(6,584)	(12,827)	(899)				
SUB-TOTAL	46,366	104,199	8,709	95,490			
All Others	40,724	83,694	78,714	4,980	6.3%		
Collected by DOTAX	24,903	53,193	58,498				
Collected by Other Departments*	15,821	30,500	20,216				
TOTAL GENERAL FUND	\$626,288	\$1,318,496	\$1,228,234	\$90,263	7.3%	-308,265	43.3%

Note: General Fund allocations are in bold print.

*Includes Conveyance Tax and Insurance Premium Tax.

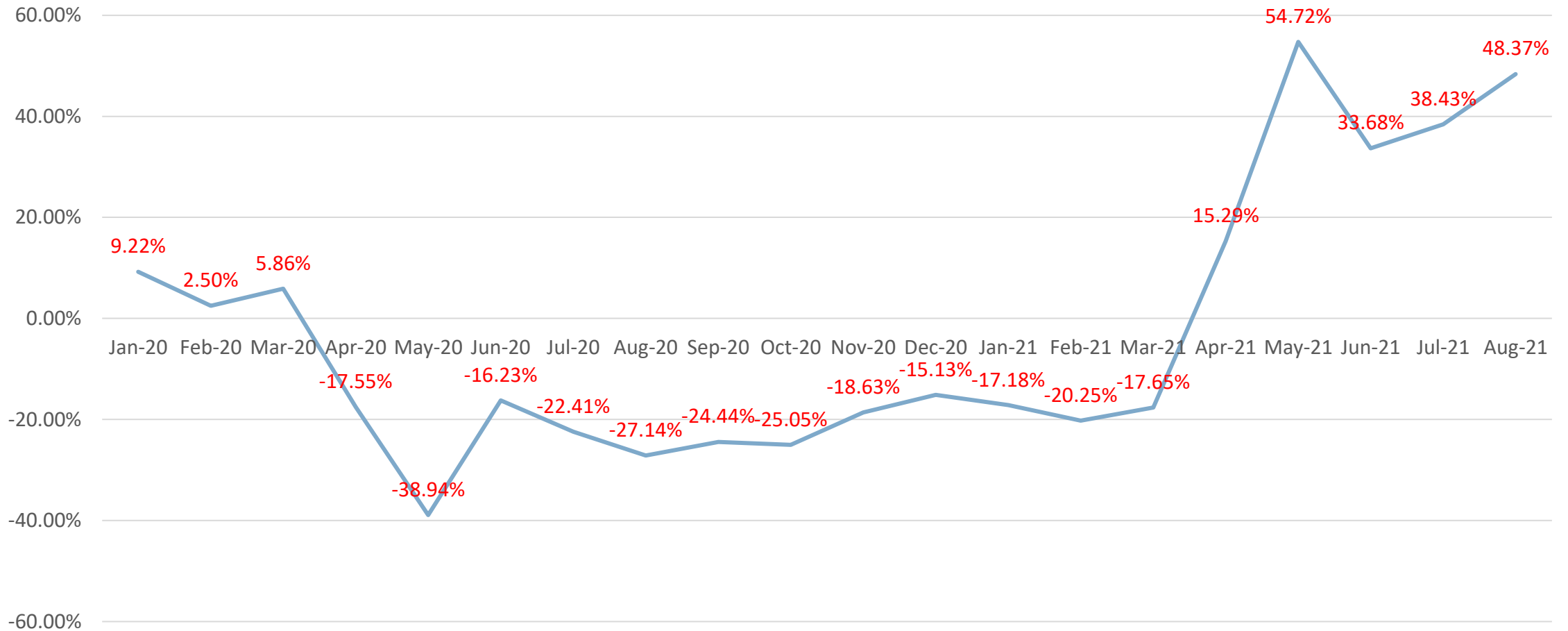
August 2021 Monthly Collections of Key Tax Types*

	Aug-21	Aug-20	Diff (\$)	% Change
General Excise Tax	324,288,131	218,561,743	105,726,388	48.4%
Corporate Income Tax	(2,415,701)	(14,100,751)	11,685,050	-82.9%
Individual Income Tax	219,688,888	169,075,587	50,613,300	29.9%
Declared Estimated	45,444,639	21,581,411	23,863,228	110.6%
Payment w/ returns	11,818,482	14,321,357	(2,502,875)	-17.5%
WH on Wages	183,144,842	160,532,735	22,612,107	14.1%
Refund	(20,719,074)	(27,359,914)	6,640,840	-24.3%
Transient Accommodation	69,082,053	4,393,239	64,688,814	1472.5%
Estimated Total**	623,459,296	393,598,719	229,860,577	58.4%

GET and TAT
Outperforming
2019
collections

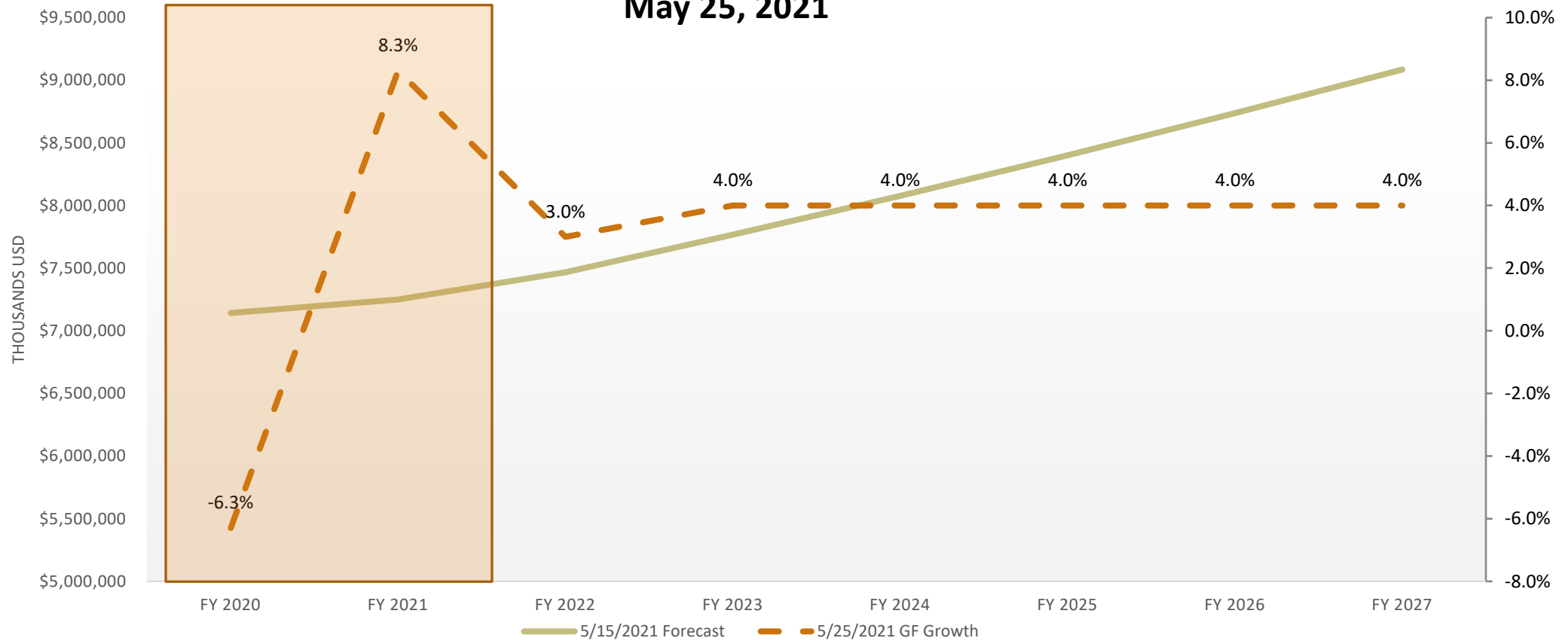
GET revenues have rebounded and remain elevated

GET Collections MoM (%)
month compared to same month from previous year



COR GF Forecast

May 25, 2021



May 25, 2021 Forecast

FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
\$ 7,141,790	\$ 7,250,261	\$7,467,769	\$7,766,480	\$8,077,139	\$8,400,224	\$8,736,233	\$9,085,683
-6.3%	8.3%	3.0%	4.0%	4.0%	4.0%	4.0%	4.0%