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July 31, 2009

DEPARTMENT OF TAXATION ANNOUNCEMENT NO. 2009-16

RE: Act 70, Session Laws of Hawaii 2009, Relating to General Excise Taxation.

On May 22, 2009, Governor Linda Lingle signed Senate Bill 427, HD1, CD1 into law as Act 70.

The Act adds a temporary exemption to the general excise tax for amounts received by a managed care support contractor of the TRICARE program that is established under Title 10 United States Code Chapter 55, as amended, for the actual cost or advancement to third party health care providers pursuant to a contract with the United States. The exemption language was added to section 237-24, Hawaii Revised Statutes.

This Act took effect on July 1, 2009. The Act also provides that it shall be repealed as of December 31, 2013 and that section 237-24, Hawaii Revised Statutes, be reenacted in the form in which it read on June 30, 2009.

For more information on this Act, please contact the Rules Office at 808-587-1577.



KURT KAWAFUCHI
Director of Taxation