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April 2, 2018

# DEPARTMENT OF TAXATION ANNOUNCEMENT NO. 2018-05

Re: Adoption of New Hawaii Administrative Rules Sections 18-237-29.53-01 through 18-237-29.53-13, Relating to Exported Services

The Department of Taxation (Department) announces the adoption of new sections 18-237-29.53-01 through 18-237-29.53-13, Hawaii Administrative Rules (HAR), which became effective March 17, 2018.

The adopted rules clarify how to determine whether gross income derived from services or contracting is exempt from the general excise tax as exported services or contracting. Specifically, the proposed rules add definitions, categorize different types of service or contract transactions, and provide examples.

Copies of the rule are available at the Department's website at: tax.hawaii.gov, the Lieutenant Governor's website, and the district tax offices. If you have any further questions, please contact the Rules Office at (808) 587-1530.

LINDA CHU TAKAYAMA
Director of Taxation

HAR Sections Explained: Section 18-237-29.53-01 through 18-237-29.53-13