



IMPORTANT UPDATE

Proposed General Excise Tax Increase Passes Senate Ways and Means Committee

As many of you know, the Hawaii Association of REALTORS® has launched a media campaign with a strong message to legislators and the general public that a general excise tax increase is a bad idea. A decision making hearing on House Bill 1309 was held Tuesday, April 5, 2005 in the Senate Committee on Ways and Means. There was a large number of REALTORS® and general public gathered at this hearing to oppose the increase. The committee passed the bill out with amendments.

HAR cannot speculate what will happen but the bill can change drastically when members of the House of Representatives and the Senate meet in conference later this month. For this reason, HAR continually needs your help to raise the public's awareness about the detrimental effects of a general excise tax increase.

The HAR campaign includes print ads in the Honolulu Advertiser, Honolulu Star Bulletin, and neighbor-island dailies, which began Wednesday, April 6, 2005. In addition to the print ads, HAR President Mac Lawson appeared for interviews on the Rick Hamada Show and with Senator Fred Hemmings and Senator Donna Mercado Kim.

HAR cannot defeat the proposed general excise tax increase without your involvement in this grassroots campaign.

We urge you to do the following today:

- **Send in your letters in opposition to your Senator and Representative. Go to www.hawaii Realtors.com to easily submit your letters.**
- **Get the word out to your families, friends, and colleagues on this issue and how the proposed tax increase will raise the cost of everything you buy in Hawaii. Let them know that they can send in their letters by visiting www.hawaii Realtors.com.**
- **Help support this cause by sending a donation to the Issues Mobilization Program (IMP). Send a check to: HAR IMP, 1136 12th Avenue, Suite 220, Honolulu, HI 96816 or for a credit card donation, download an IMP form at www.hawaii Realtors.com/impfund.pdf and fax to (808) 737-4977.**

Your time and efforts to contact your legislators as well as your monetary contribution are a small investment in ensuring your business, family, and friends are not negatively impacted by this proposal!

Talking Points – Create Your Own Letter

- I strongly oppose raising the General Excise Tax because it would increase the cost of living and of doing business in Hawaii.
- The proposed GET increase from 4% to 5% amounts to an astonishing 25% increase in a tax that is applied repeatedly, in pyramiding fashion, to all goods and services in Hawaii.
- The GET adds substantial hidden costs to the price of all goods and services we buy. It is a significant component of Hawaii's high cost of living, already one of the highest in the nation.
- Raising the GET would be bad for business, bad for the economy and bad for the people of Hawaii.
- The Tax Foundation of Hawaii estimates that the GET increase of 1 percent would add about \$900 to the existing \$3,600 annual GET burden for a family of four, raising the total weight of the tax to roughly \$4,500.
- The GET is a regressive tax that hurts most those who are least able to afford it – senior citizens, single parents, college students, poor and working-class families, and the unemployed.
- I'm sure you can imagine how people would groan – and your fellow legislators scream – if the oil companies raised gasoline prices, or our supermarkets raised food prices, by 25% overnight. Well, here's a proposal to raise by 25% the cost of something no one can avoid paying. I hope you'll agree with me that it's simply outrageous and must be defeated.
- Please vote AGAINST the proposed increase in the General Excise Tax.