



HAWAII VACATION RENTAL UPDATE: JULY 2016

HAWAII GOVERNOR SUBMITS VETO OF HB 1850, THE “AIRBNB BILL.” VACATION RENTAL OPERATORS FACE POTENTIAL ENFORCEMENT OF EXISTING LAW AND REGULATIONS.

Hawaii Governor David Ige vetoed House Bill 1850, the “AirBNB” Bill, on July 11, 2016. See, Veto Letter, [here](#).

The consequence of a veto is that existing law remains in force.

House Bill 1850 offered a promise of both convenience and anonymity for vacation rental operators. Convenience could have increased the revenues available to the State and Counties, and potentially increased compliance. The anonymity was potentially important for those vacation rental units, frequently single family residences on Oahu, operated with less than full compliance with county ordinances and state laws. Anonymity (and other provisions) also made the measure controversial.

Existing law, for Hawaii vacation rentals, means the comprehensive advertising requirements and penalty regime enacted by Act 204 of 2015 remains.

Existing law and administrative regulations require all vacation rental advertisements, including on-line listings, to contain the tax license number. To list a tax license number requires there to be a license number, which requires a business registration with the Department of Taxation.

Act 204 also imposes significant “non-tax” penalties on advertisers and operators that do not comply with its provisions.

More details on Act 205 are available in a prior article: “[Hawaii Vacation Rental Update: New Advertising And Posting Requirements For Hawaii Vacation Rentals.](#)”

For a discussion of the Temporary Administrative Regulations, see: “[Hawaii Vacation Rental Update: April 2016.](#)”