

Economic Outlook

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Overview

Indicators of the state economy through the third quarter continue to point to solid growth in 2006, but the rate of growth will be somewhat lower compared to the previous two years. Despite flat visitor arrivals, strong employment and job growth should result in solid growth in income for Hawaii's people and tax revenues for the State. Residential building permit values and housing resales suggest some slowdown in construction. However, increases in building permits for commercial properties and for additions and alterations, as well as government construction, should maintain overall growth in Hawaii construction for the rest of 2006 and into 2007.

Labor Force and Jobs

For the first three quarters of 2006, civilian employment averaged 631,450 persons, an increase of 17,750 persons or 2.9% higher than for the same period of 2005. The civilian labor force was 649,500, an increase of 17,750 persons or 2.8%, the highest rate of growth since 1990. For the first nine months of 2006, the statewide unemployment rate averaged 2.8%, the same as last year.

During the first three quarters of 2006, Hawaii's economy added 2.7% or 16,500 more wage and salary jobs, on top of a strong 3.1% job growth in 2005. Job increase was the largest in Professional and Business Services (3,300 jobs or 4.5%), followed by Construction (2,950 jobs or 9.0%), Transportation, Warehousing and Utilities (2,350 jobs or 7.7%), Retail Trade (2,050 jobs or 3.0%), Food Service and Drinking Places (1,250 jobs or 2.2%), Health Care and Social Assistance (750 jobs or 1.3%), and Accommodations (650 jobs or 1.7%).

The government added 800 jobs or 0.7%, while agriculture lost 650 jobs or 9.4% compared to the first three quarters of 2005.

Tax Revenues

Through the first nine months of 2006, State general fund tax revenues grew by \$159.9 million or 4.9 percent. General excise and use tax (GET) collections increased by \$118.1 million or 6.9 percent from 2005, while individual income tax collections increased by \$102.5 million or 9.3 percent from the same period of 2005. Transient accommodations tax (TAT) collections grew by \$11.0 million or 6.8 percent from the same period last year. These growth rates, while strong, are lower than the double digit rates in most cases for the previous two years.

Viewed from the fiscal year perspective, compared with the first quarter of FY 05-06, State general fund collections were down 2.1% in the first quarter of FY 06-07. GET and TAT collections were up 4.5% and 2.5%, respectively, while net individual income tax collections were nearly flat.

Personal Income

Nominal personal income, not adjusted for inflation, rose by nearly \$2.8 billion or 6.4% in the first two quarters of 2006 compared to the same period of 2005. Wage and salary disbursements, accounting for about 58% of personal income, grew by more than \$1.8 billion or 7.3%.

Supplements to Wages and Salaries (consisting of employer payments to retirement plans, private group health insurance plans, private workers compensation plans, and other such benefits) increased by \$364 million or 5.2% in the first half of 2006 compared to 2005.

Proprietors' Income, the income most closely related to entrepreneurial activity, grew by \$176 million or 6.0% in the first two quarters of 2006 compared to the same period of 2005.

Dividends, Interest, and Rent rose by \$432 million or 6.6% in the first half of 2006 from the same period of 2005, while Personal Current Transfer Receipts, consisting largely of retirement and medical payments, grew by \$301 million or 5.4%.

Contributions to Government Social Insurance, payments subtracted from personal income, increased by \$321 million or 9.1%.

Earnings increased across most private sector industries during the first two quarters of 2006 compared to the same period of 2005. In dollar terms, the largest increases occurred in Construction (\$343 million or 13.4%), followed by Accommodation and Food Service (\$330 million or 11.4%), Professional and Technical Services (\$244 million or 11.9%), and Health Care and Social Assistance (\$200 million or 6.6%). Total government earnings rose by \$384 million or 3.5%, including \$80 million or 1.2% increase in Federal government earnings and \$304 million or 7.1% increase in State and local government earnings.

Prices

Honolulu's consumer price index (CPI) increased 5.8% in the first half of 2006, the highest increase since 1991. This was 2.0 percentage points higher than a 3.8% increase in 2005. The average CPI for the U.S. increased 3.8% in the first half of 2006 and 3.4% in 2005. The Honolulu increase in the first half of 2006 was primarily due to increases in the Housing and Transportation (mostly fuels) components, which increased by 8.5% and 7.1%, respectively.

Tourism

During the first nine months of 2006, total visitor arrivals by air grew by just 0.1% from the same period last year compared to 7-8% growth rates seen in previous two years. Domestic arrivals increased 2.5%, while international arrivals decreased 5.9%. Among the major market areas (MMAs), arrivals from U.S. West were up 3.8%, while those from U.S. East and Japan were down 0.2% and 9.2%, respectively. Total visitor days increased just 0.2% in the first three quarters of 2006 from the same period of 2005. Total expenditures of visitors arriving by air were estimated to have increased 3.8% to nearly \$9.0 billion through the first nine months of 2006 over the same period a year ago.

Through the first nine months of 2006, airline passenger capacity, both scheduled and charter, increased 1.6% and the statewide average hotel occupancy rate declined slightly to 81.6% from 82.3% a year ago. The statewide average daily hotel room rate increased 12.4%, from \$164.90 to \$185.29.

Construction and Real Estate

The major indicators of construction activity maintained positive growth through the first three quarters of 2006 although the rates of growth have moderated considerably. The contracting tax base increased 20.0% during the first half of 2006 from that of 2005. During the first nine months of 2006, despite a 9.1% decline in residential permit value, the total value of private building authorizations increased 9.7% from the same period of 2005. State Capital Improvement Project expenditures were down 11.8%, mainly due to large decreases in the revenue bonds and the federal funds expenditures.

In the first three quarters of 2006, the number of existing units sold was off 11.9% for single family homes and off 18.2% for condominiums, while the median prices were \$634,000 and \$310,000,

respectively, increases of 9.4% and 19.7%, respectively, over the same time period in 2005.

During the first nine months of 2006, construction jobs increased 9.0% from the same period of 2005 to a monthly average of 35,800 jobs. This is the largest level of construction jobs in Hawaii since 1991. The construction industry added jobs in all counties, with growth ranging from 6.3% in Hawaii County to 14.3% in Kauai County.

County Economic Conditions

Through the first nine months of 2006, all counties showed positive growth in both labor force and civilian employment. Except for Hawaii County, unemployment rate was lower than 3.0% in each county. Total wage and salary jobs showed growth in all counties, with growth being particularly stronger on Oahu and the Big Island.

Both total visitor arrivals and visitor days by air showed increases in the third quarter of 2006 in all three Neighbor Island counties, compared to the third quarter of 2005. Honolulu was the only county to show a decline due to decreases in both international and domestic arrivals. Visitor growth on the Neighbor Islands came from gains in the domestic market.

For the first nine months of 2006, average civilian employment growth was highest at 3.1% in Honolulu, followed by 2.9% in Hawaii County, 2.6% in Kauai County, and 1.8% in Maui County. Unemployment rate averaged 3.3% in Hawaii County and 2.7-2.8% in other three counties.

All counties showed positive job growth during the first nine months of 2006. The City and County of Honolulu picked up 12,800 wage and salary jobs or an increase of 2.9% from 2005. The largest absolute increases were in Professional and Business services, followed by Construction, Transportation,

Warehousing and Utilities, and Retail Trade, each adding more than 1,500 jobs.

Hawaii County added 1,800 jobs or 2.8% in the first three quarters of 2006 over the same period of 2005. Construction, Retail Trade, Food Services and Drinking Places, Accommodation, and Professional and Business Services had largest job increases in Hawaii County.

In the first nine months of 2006, Maui County added 1,200 jobs or 1.7% from that of 2005. The two biggest gainers were Construction and Food Services and Drinking Places. Kauai County increased 600 jobs, or 2.0%, lead by Construction and Food Services and Drinking Places.

During the first nine months of 2006, visitor arrivals by air increased 8.2%, 6.6% and 4.8% in Kauai, Hawaii, and Maui Counties, respectively, from the same period last year, while arrivals were down 3.2% in Honolulu. Hotel occupancy rates were mixed in the first nine months of 2006, with Maui gaining 0.5 of a percentage point to 82.0%, Honolulu and Kauai dropping 1.2 and 1.8 percentage points to 84.7% and 76.9%, respectively, and a 0.2 percentage point increase to 73.5% in Hawaii County from the year-ago levels.

Except for Kauai County, tax collections grew in all counties in the first nine months of 2006 compared to the same period of 2005. Among the counties with positive growth, growth in net individual income tax collections ranged from a low of 8.3% in Honolulu to a high of 23.6% in Maui. Similarly, GET tax collections showed the highest growth of 7.9% in Hawaii County, followed by 7.3% in Honolulu and 4.9% in Maui. TAT collections grew about 32% in Maui and Hawaii counties, compared to just 2.1% growth in Honolulu. TAT collections were down 18.0% in Kauai.

During the first three quarters of 2006, Honolulu and Maui showed strong growth in the value of private building permits, increasing 23.4% and 15.4%, respectively, compared to the same period of

2005. The value of permits was almost flat in Hawaii County, while it experienced a 25.0% decrease in Kauai.

Outlook for the Economy

In its latest quarterly forecast, DBEDT reaffirms its positive outlook for Hawaii's economy through the rest of 2006 and into 2007. Despite a lowered forecast of visitor arrival growth from the previous quarter, the continued growth of construction and other jobs is expected to maintain solid growth of the overall economy.

Despite flat visitor arrivals through the first nine months of 2006, prospects for Hawaii's economy continue to appear positive. Federal spending remains strong. Despite some slowdown in residential permitting, total value of private building permits continues to grow, indicating more construction in future quarters. Through the first nine months of 2006, the statewide total value of private building permits increased 9.7% to more than \$2.7 billion. The value of government contracts awarded totaled \$692 million statewide, a 9.2% increase from 2005. The ongoing \$2.3 billion military housing privatization initiative will also add to positive growth in the Hawaii construction industry in coming years.

Projections of economic growth for the Mainland U.S. and Japan, Hawaii's two primary visitor markets, are reasonably strong for 2006 and next year. The November 2006 Blue Chip Economic Consensus Forecasts expect the 2006 real GDP growth to be 3.3% for the U.S. and 2.7% for Japan. In 2007, GDP growth is expected to be 2.5% for the U.S. and 2.2% for Japan. The U.S. consumer price index (CPI) is expected to increase 3.4% in 2006 and 2.3% in 2007.

Based on the data through the first 9 months of the year and the outlook in the near-term, total visitor arrivals and visitor days are expected to increase 0.3% and 1.3%, respectively, in 2006.

Total nominal (current dollar) visitor expenditures are forecast to increase 5.4%. Visitor days, visitor arrivals, and visitor expenditures are predicted to grow by 2.4%, 2.5%, and 6.0%, respectively, in 2007, followed by slightly lower growth in later years.

The nominal personal income is forecast to increase 7.0% in 2006 and 6.0% in 2007. Real personal income (inflation-adjusted) is expected to grow by 2.1% in 2006 and 2.3% in 2007. Hawaii's real gross domestic product (GDP) growth, formerly called gross state product (GSP), is projected to be 3.3% in 2006 and 2.4% in 2007. Hawaii's inflation rate in 2006 is projected to be 4.8%, followed by 3.6% in 2007.

With a 2.7% growth in the first three quarters and solid prospect for continuing job growth in the rest of the year, total wage and salary job growth is expected to be 2.5% in 2006. Job growth is expected to moderate to 1.5% in 2007 and to 1.2% in later years.

**Table 1. ACTUAL AND FORECAST KEY ECONOMIC INDICATORS FOR HAWAII:
2004 TO 2009**

Economic Indicators	2004	2005	2006	2007	2008	2009
	(Actual)		(Forecast)			
Total population (thousands)	1,262	1,275	1,289	1,303	1,317	1,330
Visitor arrivals (thousands)	6,992	7,494	7,517	7,706	7,880	8,051
Visitor days (thousands)	63,343	68,242	69,102	70,789	72,422	74,012
Visitor expenditures (million dollars)	10,862	11,904	12,541	13,289	14,020	14,749
Honolulu CPI-U (1982-84=100)	190.6	197.8	207.3	214.8	221.6	228.3
Personal income (million dollars)	41,178	43,953 1/	47,030	49,851	52,593	55,328
Real personal income (millions of 2000\$)	38,088	39,176 1/	39,995	40,921	41,833	42,727
Total wage & salary jobs (thousands)	590.7	608.9	624.3	633.7	641.3	649.0
Gross domestic product (million dollars) 2/	50,238	54,019 1/	57,692	60,750	63,848	67,041
Real gross domestic product (millions of 2000\$) 2/	44,683	46,466 3/	47,994	49,161	50,359	51,587
Gross domestic product deflator (2000=100) 2/	112.4	116.3 3/	120.2	123.6	126.8	130.0
Annual Percentage Change						
Total population	1.1	1.0	1.1	1.1	1.1	1.0
Visitor arrivals	8.5	7.2	0.3	2.5	2.3	2.2
Visitor days	6.9	7.7	1.3	2.4	2.3	2.2
Visitor expenditures	8.0	9.6	5.4	6.0	5.5	5.2
Honolulu CPI-U	3.3	3.8	4.8	3.6	3.2	3.0
Personal income	8.9	6.7 1/	7.0	6.0	5.5	5.2
Real personal income	5.4	2.9 1/	2.1	2.3	2.2	2.1
Total wage & salary jobs	2.8	3.1	2.5	1.5	1.2	1.2
Gross domestic product 2/	8.3	7.5 1/	6.8	5.3	5.1	5.0
Real gross domestic product 2/	5.0	4.0 3/	3.3	2.4	2.4	2.4
Gross domestic product deflator 2/	3.2	3.4 3/	3.4	2.8	2.6	2.5

1/ Preliminary.

2/ Formerly called 'Gross state product.' See U.S. Bureau of Economic Analysis <http://www.bea.gov/bea/newsrel/GSPNewsRelease.htm>.

3/ DBEDT-adjusted U.S. Bureau of Economic Analysis advance estimate.

Source: Hawaii State Department of Business, Economic Development & Tourism, November 20, 2006.

**Table 2. SELECTED ECONOMIC INDICATORS: STATE
THIRD QUARTER 2006**

SERIES	UNIT	3rd QUARTER 2006		YEAR-TO-DATE 2006	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	655,000	2.6	649,500	2.8
Civilian employed	Persons	635,950	2.6	631,450	2.9
Civilian unemployed	Persons	19,000	0.5	18,050	-0.3
Unemployment rate 1/ 2/	%	2.9	-0.1	2.8	0.0
Total wage and salary jobs	Jobs	620,850	2.3	621,150	2.7
Total non-agriculture wage and salary jobs	Jobs	614,550	2.4	614,900	2.9
Nat. Resources, Mining, Constr.	Jobs	36,300	5.8	35,800	9.0
Manufacturing	Jobs	15,250	0.0	15,300	0.7
Wholesale Trade	Jobs	18,000	1.4	18,050	3.1
Retail Trade	Jobs	70,600	2.2	70,500	3.0
Transp., Warehousing, Util.	Jobs	33,450	5.9	33,000	7.7
Information	Jobs	11,100	3.3	11,150	4.7
Financial Activities	Jobs	30,200	2.4	29,900	2.6
Professional & Business Services	Jobs	77,800	4.5	76,800	4.5
Educational Services	Jobs	13,550	1.9	13,800	2.2
Health Care & Social Assistance	Jobs	56,750	0.9	56,900	1.3
Arts, Entertainment & Recreation	Jobs	11,700	-0.8	11,750	1.7
Accommodation	Jobs	39,550	1.5	39,300	1.7
Food Services & Drinking Places	Jobs	57,650	2.4	57,100	2.2
Other Services	Jobs	25,850	2.6	25,650	2.6
Government	Jobs	116,800	1.2	119,800	0.7
Federal	Jobs	31,700	1.4	31,600	1.4
State	Jobs	67,200	1.0	70,750	0.1
Local	Jobs	17,850	1.4	17,500	1.7
Agriculture wage and salary jobs	Jobs	6,300	-8.0	6,250	-9.4
State general fund revenues	\$1,000	1,076,795	-2.1	3,425,098	4.9
General excise and use tax revenues	\$1,000	605,813	4.5	1,831,795	6.9
Income-individual	\$1,000	361,508	-0.1	1,207,593	9.3
Declaration estimated taxes	\$1,000	66,214	-12.7	376,009	19.0
Payment with returns	\$1,000	18,372	-12.0	185,465	28.2
Withholding tax on wages	\$1,000	318,924	5.5	935,229	-0.2
Refunds	\$1,000	-42,001	13.2	-289,110	-1.2
Transient accommodations tax	\$1,000	56,782	2.5	172,346	6.8
Visitors Days	Days	17,659,379	-2.3	51,163,912	0.2
Domestic visitor days	Days	14,232,312	0.6	40,614,723	1.8
International visitor days	Days	3,427,067	-12.7	10,549,188	-5.7
Visitor arrivals by air	Persons	1,973,643	-1.1	5,611,208	0.1
Domestic flight visitors	Persons	1,479,408	1.9	4,136,880	2.5
International flight visitors	Persons	494,235	-9.1	1,474,328	-5.9
Hotel occupancy rates 2/	%	82.8	-1.9	81.6	-0.7

1/ Labor force and jobs are Hawaii DLIR monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<http://www.hawaii.gov/dbedt/inf/>>, Hawaii State Department of Labor & Industrial Relations <<http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94>>; Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

**Table 3. SELECTED ECONOMIC INDICATORS: CITY AND COUNTY OF HONOLULU
THIRD QUARTER 2006**

SERIES	UNIT	3rd QUARTER 2006		YEAR-TO-DATE 2006	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	458,750	2.7	456,050	3.0
Civilian employed	Persons	445,700	2.8	443,700	3.1
Civilian unemployed	Persons	13,000	1.2	12,350	-0.4
Unemployment rate 1/ 2/	%	2.8	-0.1	2.7	-0.1
Total wage and salary jobs	Jobs	453,300	2.4	454,600	2.9
Total non-agriculture wage and salary jobs	Jobs	451,550	2.5	452,800	3.0
Nat. Resources, Mining, Constr.	Jobs	25,250	5.4	25,050	9.6
Manufacturing	Jobs	11,850	-0.4	11,850	0.0
Wholesale Trade	Jobs	14,500	1.8	14,500	2.8
Retail Trade	Jobs	47,950	2.5	47,900	3.6
Transp., Warehousing, Util.	Jobs	25,300	6.1	24,950	8.7
Information	Jobs	9,300	3.9	9,350	5.6
Financial Activities	Jobs	23,100	2.2	22,950	2.5
Professional & Business Services	Jobs	63,300	5.3	62,300	5.1
Educational Services	Jobs	11,400	1.3	11,650	1.7
Health Care & Social Assistance	Jobs	44,100	0.7	44,200	1.1
Arts, Entertainment & Recreation	Jobs	7,100	-0.7	7,050	1.4
Accommodation	Jobs	16,150	1.6	16,150	1.9
Food Services & Drinking Places	Jobs	40,150	1.8	39,950	1.7
Other Services	Jobs	20,200	3.1	20,000	2.8
Government	Jobs	91,950	0.9	94,950	0.4
Federal	Jobs	29,200	1.7	29,100	1.4
State	Jobs	51,100	0.7	54,350	-0.2
Local	Jobs	11,650	0.0	11,500	0.0
Agriculture wage and salary jobs	Jobs	1,800	-7.7	1,850	-9.8
General excise and use tax revenues	\$1,000	504,652	5.4	1,543,459	7.3
Income-individual	\$1,000	301,117	-2.2	1,024,876	8.3
Declaration estimated taxes	\$1,000	46,284	-24.9	293,663	18.2
Payment with returns	\$1,000	13,065	-19.1	138,937	25.5
Withholding tax on wages	\$1,000	275,839	5.0	811,491	-0.6
Refunds	\$1,000	-34,071	4.7	-219,215	-4.4
Transient accommodations tax	\$1,000	35,709	-9.0	117,530	2.1
Visitors Days	Days	8,407,400	-6.9	23,668,178	-4.6
Domestic visitor days	Days	5,697,617	-4.1	15,909,434	-2.0
International visitor days	Days	2,709,783	-12.3	7,758,744	-9.5
Visitor arrivals by air	Persons	1,234,453	-4.5	3,457,968	-3.2
Domestic flight visitors	Persons	778,939	-1.5	2,128,379	-0.5
International flight visitors	Persons	455,514	-9.4	1,329,589	-7.3
Hotel occupancy rates 2/	%	86.8	-3.8	84.7	-1.2

1/ Labor force and jobs are Hawaii DLIR monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<http://www.hawaii.gov/dbedt/inf/>>, Hawaii State Department of Labor & Industrial Relations <<http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94>>; Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

**Table 4. SELECTED ECONOMIC INDICATORS: HAWAII COUNTY
THIRD QUARTER 2006**

SERIES	UNIT	3rd QUARTER 2006		YEAR-TO-DATE 2006	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	84,800	3.0	83,400	2.7
Civilian employed	Persons	81,900	3.1	80,700	2.9
Civilian unemployed	Persons	2,850	-3.4	2,750	0.0
Unemployment rate 1/ 2/	%	3	-0.2	3	-0.1
Total wage and salary jobs	Jobs	66,550	3.1	65,950	2.8
Total non-agriculture wage and salary jobs	Jobs	64,150	3.6	63,700	3.3
Nat. Resources, Mining, Constr.	Jobs	5,250	6.1	5,100	6.3
Manufacturing	Jobs	1,550	6.9	1,500	3.4
Wholesale Trade	Jobs	1,700	3.0	1,700	3.0
Retail Trade	Jobs	9,250	4.5	9,100	3.4
Transp., Warehousing, Util.	Jobs	3,100	8.8	3,000	5.3
Information	Jobs	650	0.0	650	0.0
Financial Activities	Jobs	2,800	5.7	2,700	3.8
Professional & Business Services	Jobs	4,800	0.0	4,900	4.3
Educational Services	Jobs	950	5.6	1,000	11.1
Health Care & Social Assistance	Jobs	5,950	3.5	5,950	1.7
Arts, Entertainment & Recreation	Jobs	1,500	-3.2	1,550	0.0
Accommodation	Jobs	7,400	2.8	7,250	2.8
Food Services & Drinking Places	Jobs	5,650	5.6	5,500	4.8
Other Services	Jobs	2,000	0.0	2,000	0.0
Government	Jobs	11,650	2.6	11,800	2.6
Federal	Jobs	1,250	0.0	1,250	4.2
State	Jobs	7,900	2.6	8,100	1.9
Local	Jobs	2,500	4.2	2,450	4.3
Agriculture wage and salary jobs	Jobs	2,400	-5.9	2,250	-10.0
General excise and use tax revenues	\$1,000	36,480	0.5	104,404	7.9
Income-individual	\$1,000	25,394	15.8	75,771	15.2
Declaration estimated taxes	\$1,000	9,115	40.5	33,917	15.6
Payment with returns	\$1,000	2,596	43.1	20,260	42.7
Withholding tax on wages	\$1,000	16,570	9.7	47,306	3.9
Refunds	\$1,000	(2,887)	95.3	(25,712)	10.3
Transient accommodations tax	\$1,000	7,170	51.8	17,155	31.6
Visitors days by air	Days	2,625,027	2.3	7,790,209	3.8
Domestic visitor days	Days	2,320,680	8.4	6,718,688	5.8
International visitor days	Days	304,347	-28.7	1,071,521	-7.5
Visitor arrivals by air	Persons	435,080	8.0	1,207,808	6.6
Domestic flight visitors	Persons	349,136	11.5	953,968	8.5
International flight visitors	Persons	85,944	-4.1	253,840	0.0
Hotel occupancy rates 2/	%	73.0	-1.0	73.5	0.2

1/ Labor force and jobs are Hawaii DLIR monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<http://www.hawaii.gov/dbedt/inf/>>, Hawaii State Department of Labor & Industrial Relations <<http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94>>; Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

**Table 5. SELECTED ECONOMIC INDICATORS: MAUI COUNTY
THIRD QUARTER 2006**

SERIES	UNIT	3rd QUARTER 2006		YEAR-TO-DATE 2006	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	78,000	1.8	77,050	1.9
Civilian employed	Persons	75,850	1.9	74,950	1.8
Civilian unemployed	Persons	2,150	0.0	2,050	2.5
Unemployment rate 1/ 2/	%	2.8	0.0	2.7	0.0
Total wage and salary jobs	Jobs	70,900	1.7	70,500	1.7
Total non-agriculture wage and salary jobs	Jobs	69,550	2.1	69,100	2.1
Nat. Resources, Mining, Constr.	Jobs	4,150	6.4	4,100	10.8
Manufacturing	Jobs	1,500	0.0	1,500	0.0
Wholesale Trade	Jobs	1,300	0.0	1,350	8.0
Retail Trade	Jobs	9,450	-0.5	9,500	1.1
Transp., Warehousing, Util.	Jobs	3,500	6.1	3,450	4.5
Information	Jobs	850	0.0	850	0.0
Financial Activities	Jobs	3,050	0.0	3,050	1.7
Professional & Business Services	Jobs	6,150	3.4	6,050	0.0
Educational Services	Jobs	1,000	5.3	1,000	5.3
Health Care & Social Assistance	Jobs	4,600	3.4	4,550	3.4
Arts, Entertainment & Recreation	Jobs	2,100	2.4	2,100	2.4
Accommodation	Jobs	11,850	0.9	11,800	0.9
Food Services & Drinking Places	Jobs	8,350	5.0	8,200	3.8
Other Services	Jobs	2,800	-1.8	2,850	1.8
Government	Jobs	8,950	1.7	8,850	1.7
Federal	Jobs	800	0.0	750	0.0
State	Jobs	5,700	1.8	5,700	0.9
Local	Jobs	2,500	2.0	2,400	4.3
Agriculture wage and salary jobs	Jobs	1,350	-12.9	1,350	-18.2
General excise and use tax revenues	\$1,000	46,356	-0.1	132,991	4.9
Income-individual	\$1,000	24,879	12.6	76,473	23.6
Declaration estimated taxes	\$1,000	7,497	52.5	34,976	41.5
Payment with returns	\$1,000	1,934	-1.1	18,813	37.1
Withholding tax on wages	\$1,000	19,134	9.8	52,685	-0.2
Refunds	\$1,000	-3,686	67.5	-30,001	2.3
Transient accommodations tax	1,000	10,397	35.6	27,473	32.6
Visitors days by air	Days	4,594,513	0.6	13,962,732	4.9
Domestic visitor days	Days	4,276,215	0.7	12,588,315	3.4
International visitor days	Days	318,298	0.4	1,374,417	21.5
Visitor arrivals by air 4/	Persons	653,355	3.1	1,860,659	4.8
Domestic flight visitors	Persons	590,723	3.0	183,227	4.4
International flight visitors	Persons	62,632	3.7	23,513	8.3
Hotel occupancy rates 2/ 3/	%	82.1	1.2	82.0	0.5

1/ Labor force and jobs are Hawaii DLIR monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

3/ Data represent Maui Island only.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<http://www.hawaii.gov/dbedt/inf/>>, Hawaii State Department of Labor & Industrial Relations <<http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94>>; Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

**Table 6. SELECTED ECONOMIC INDICATORS: KAUAI COUNTY
THIRD QUARTER 2006**

SERIES	UNIT	3rd QUARTER 2006		YEAR-TO-DATE 2006	
		NUMBER	% CHANGE YEAR AGO	NUMBER	% CHANGE YEAR AGO
Civilian labor force 1/	Persons	33,450	1.4	33,000	2.5
Civilian employed	Persons	32,500	1.4	32,100	2.6
Civilian unemployed	Persons	1,000	5.3	900	0.0
Unemployment rate 1/ 2/	%	2.9	0.1	2.8	0.0
Total wage and salary jobs	Jobs	30,150	0.7	30,050	2.0
Total non-agriculture wage and salary jobs	Jobs	29,350	0.5	29,300	2.1
Nat. Resources, Mining, Constr.	Jobs	1,650	10.0	1,600	14.3
Manufacturing	Jobs	400	0.0	400	0.0
Wholesale Trade	Jobs	550	10.0	550	10.0
Retail Trade	Jobs	4,000	0.0	4,000	0.0
Transp., Warehousing, Util.	Jobs	1,600	3.2	1,550	3.3
Information	Jobs	300	0.0	300	0.0
Financial Activities	Jobs	1,300	4.0	1,250	4.2
Professional & Business Services	Jobs	3,550	-1.4	3,550	1.4
Educational Services	Jobs	200	33.3	200	0.0
Health Care & Social Assistance	Jobs	2,100	-4.5	2,200	0.0
Arts, Entertainment & Recreation	Jobs	1,050	0.0	1,050	0.0
Accommodation	Jobs	4,150	0.0	4,150	1.2
Food Services & Drinking Places	Jobs	3,550	1.4	3,500	2.9
Other Services	Jobs	850	6.3	800	0.0
Government	Jobs	4,200	0.0	4,200	0.0
Federal	Jobs	500	0.0	500	0.0
State	Jobs	2,500	0.0	2,550	0.0
Local	Jobs	1,200	0.0	1,150	0.0
Agriculture wage and salary jobs	Jobs	800	6.7	750	0.0
General excise and use tax revenues	\$1,000	18,325	0.2	50,941	-2.5
Income-individual	\$1,000	10,118	1.5	30,471	-2.0
Declaration estimated taxes	\$1,000	3,317	17.8	13,453	1.2
Payment with returns	\$1,000	777	-18.6	7,454	23.3
Withholding tax on wages	\$1,000	7,381	4.4	23,747	6.4
Refunds	\$1,000	-1,357	55.5	-14,182	33.9
Transient accommodations tax	\$1,000	3,506	-6.4	10,187	-18.0
Visitors days by air	Days	2,032,440	6.1	5,742,793	5.3
Domestic visitor days	Days	1,937,812	6.4	5,398,305	5.3
International visitor days	Days	94,628	1.6	344,487	5.7
Visitor arrivals by air	Persons	329,479	9.0	885,453	8.2
Domestic flight visitors	Persons	305,379	10.0	805,164	8.5
International flight visitors	Persons	24,100	-1.8	80,289	4.7
Hotel occupancy rates 2/	%	80.2	-1.0	76.9	-1.8

1/ Labor force and jobs are Hawaii DLIR monthly and annual data. Quarterly averages computed by the Hawaii DBEDT.

2/ Change represents absolute change in rates rather than percentage change in rates.

Source: Hawaii State Department of Business, Economic Development, & Tourism <<http://www.hawaii.gov/dbedt/inf/>>, Hawaii State Department of Labor & Industrial Relations <<http://www.hiwi.org/cgi/dataanalysis/?PAGEID=94>>; Hawaii State Department of Taxation <http://www.hawaii.gov/tax/a5_3txcolrpt.htm> and Hospitality Advisors, LLC.

Table 7. PERSONAL INCOME FOR HAWAII BY MAJOR SOURCES

(In millions of dollars at seasonally adjusted annual rates and percent. As of QSER September 2003, according to NAICS classification only)

Series	Second Quarter 2005	Second Quarter 2006	Annual average 2004	Annual average 2005	Percentage change		
					To Q2 2006 From Q2 2005	Year-to- date 2005 to Year-to- date 2006	Annual average
							2005 from 2004
PERSONAL INCOME	43,607	46,576	41,178	43,953	6.8	6.4	6.7
Earnings By Place of Work	34,982	37,504	32,980	35,313	7.2	6.8	7.1
Wage and salary disbursements	25,034	27,014	23,769	25,291	7.9	7.3	6.4
Supplements to wages and salaries	6,985	7,376	6,473	7,023	5.6	5.2	8.5
Emp'er contrib. for emp'ee pension & ins. funds	5,205	5,437	4,793	5,224	4.5	4.1	9.0
Employer contributions for gov't social ins.	1,780	1,939	1,680	1,800	8.9	8.7	7.2
Proprietors' income	2,963	3,115	2,006	2,999	5.1	6.0	9.5
Farm proprietors' income	-10	1	(1/)	3	(2/)	(2/)	900.0
Nonfarm proprietors' income	2,973	3,113	2,737	2,996	4.7	5.7	9.5
Dividends, interest, and rent	6,583	7,059	6,347	6,643	7.2	6.6	4.7
Personal current transfer receipts	5,607	5,909	5,203	5,602	5.4	5.4	7.7
State unemployment insurance benefits	85	88	113	87	3.5	-6.2	-23.2
Personal current transfer receipts exc State U.I.	5,522	5,821	5,089	5,515	5.4	5.6	8.4
Less: Contributions for gov't social insurance	3,565	3,896	3,350	3,604	9.3	9.1	7.6
Personal contributions for gov't social insurance	1,786	1,957	1,671	1,805	9.6	9.4	8.0
Employer contributions for gov't social insurance	1,780	1,939	1,680	1,800	8.9	8.7	7.2
Earnings By Industry	34,982	37,504	32,980	35,313	7.2	6.8	7.1
Farm Earnings	209	226	212	222	8.1	6.7	4.6
Nonfarm Earnings	34,773	37,278	32,768	35,091	7.2	6.8	7.1
Private earnings	23,749	25,802	22,416	24,045	8.6	8.4	7.3
Forestry, fishing, related activities, and other 6/	54	51	56	54	-5.6	-4.7	-4.0
Mining	51	61	46	53	19.6	13.5	14.1
Utilities	286	276	269	278	-3.5	-0.4	3.5
Construction	2,630	2,924	2,236	2,672	11.2	13.4	19.5
Manufacturing	907	957	860	905	5.5	5.0	5.2
Durable goods	340	366	317	340	7.6	7.1	7.1
Nondurable goods	566	591	543	565	4.4	3.9	4.0
Wholesale trade	1,016	1,108	976	1,033	9.1	8.2	5.8
Retail trade	2,320	2,449	2,202	2,324	5.6	6.2	5.5
Transportation and warehousing	1,411	1,571	1,302	1,427	11.3	11.1	9.6
Information	700	798	712	718	14.0	11.0	0.8
Finance and insurance	1,214	1,316	1,192	1,225	8.4	6.3	2.7
Real estate and rental and leasing	1,075	1,152	967	1,089	7.2	9.2	12.6
Professional and technical services	2,072	2,304	1,931	2,119	11.2	11.9	9.8
Management of companies and enterprises	638	559	687	620	-12.4	-19.7	-9.7
Administrative and waste services	1,460	1,620	1,354	1,477	11.0	11.6	9.0
Educational services	494	511	468	495	3.4	5.1	5.8
Health care and social assistance	3,028	3,228	2,878	3,061	6.6	6.6	6.3
Arts, entertainment, and recreation	441	480	428	451	8.8	6.9	5.4
Accommodation and food services	2,880	3,272	2,824	2,965	13.6	11.4	5.0
Other services, except public administration	1,073	1,165	1,029	1,082	8.6	8.6	5.1
Government and government enterprises	11,024	11,476	10,352	11,046	4.1	3.5	6.7
Federal	6,734	6,861	6,283	6,720	1.9	1.2	6.9
Federal, civilian	2,686	2,780	2,578	2,684	3.5	3.6	4.1
Military	4,048	4,081	3,706	4,036	0.8	-0.4	8.9
State and local	4,291	4,615	4,069	4,327	7.6	7.1	6.3

Source data for 2003Q1 through 2006Q1 have been revised.

1/ Value less than \$0.05 million.

2/ Percentage changes involving negative numbers are not meaningful.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, State Quarterly Personal Income, September 26, 2006

<<http://www.bea.doc.gov/bea/regional/sqpi/>>

Table 8. RESIDENT POPULATION, BY COUNTY: 1990 TO 2005

(Based on place of usual residence, regardless of physical location on the estimate or census date. Includes military personnel stationed or homeported in Hawaii and residents temporarily absent; excludes visitors present.)

Date	State total	City and County of Honolulu	Hawaii County	Kauai County	Maui County 1/
1990: April 1	1,108,229	836,231	120,317	51,177	100,504
July 1 2/	1,113,491	838,534	121,572	51,676	101,709
1991: July 1 2/	1,136,754	850,510	127,266	53,379	105,599
1992: July 1 2/	1,158,613	863,959	131,630	54,439	108,585
1993: July 1 2/	1,172,838	870,348	135,085	55,461	111,944
1994: July 1 2/	1,187,536	878,591	137,713	56,478	114,754
1995: July 1 2/	1,196,854	881,399	140,492	57,068	117,895
1996: July 1 2/	1,203,755	883,443	141,935	57,688	120,689
1997: July 1 2/	1,211,640	886,711	144,445	57,712	122,772
1998: July 1 2/	1,215,233	886,909	145,833	57,843	124,648
1999: July 1 2/	1,210,300	878,906	146,970	58,264	126,160
2000: April 1	1,211,537	876,156	148,677	58,463	128,241
July 1	1,212,125	875,377	149,285	58,536	128,927
2001: July 1	1,221,855	879,343	151,743	59,049	131,720
2002: July 1	1,234,401	886,220	154,809	59,967	133,405
2003: July 1	1,248,200	893,075	158,541	60,706	135,878
2004: July 1	1,262,124	899,562	162,601	61,836	138,125
2005: July 1	1,275,194	905,266	167,293	62,640	139,995

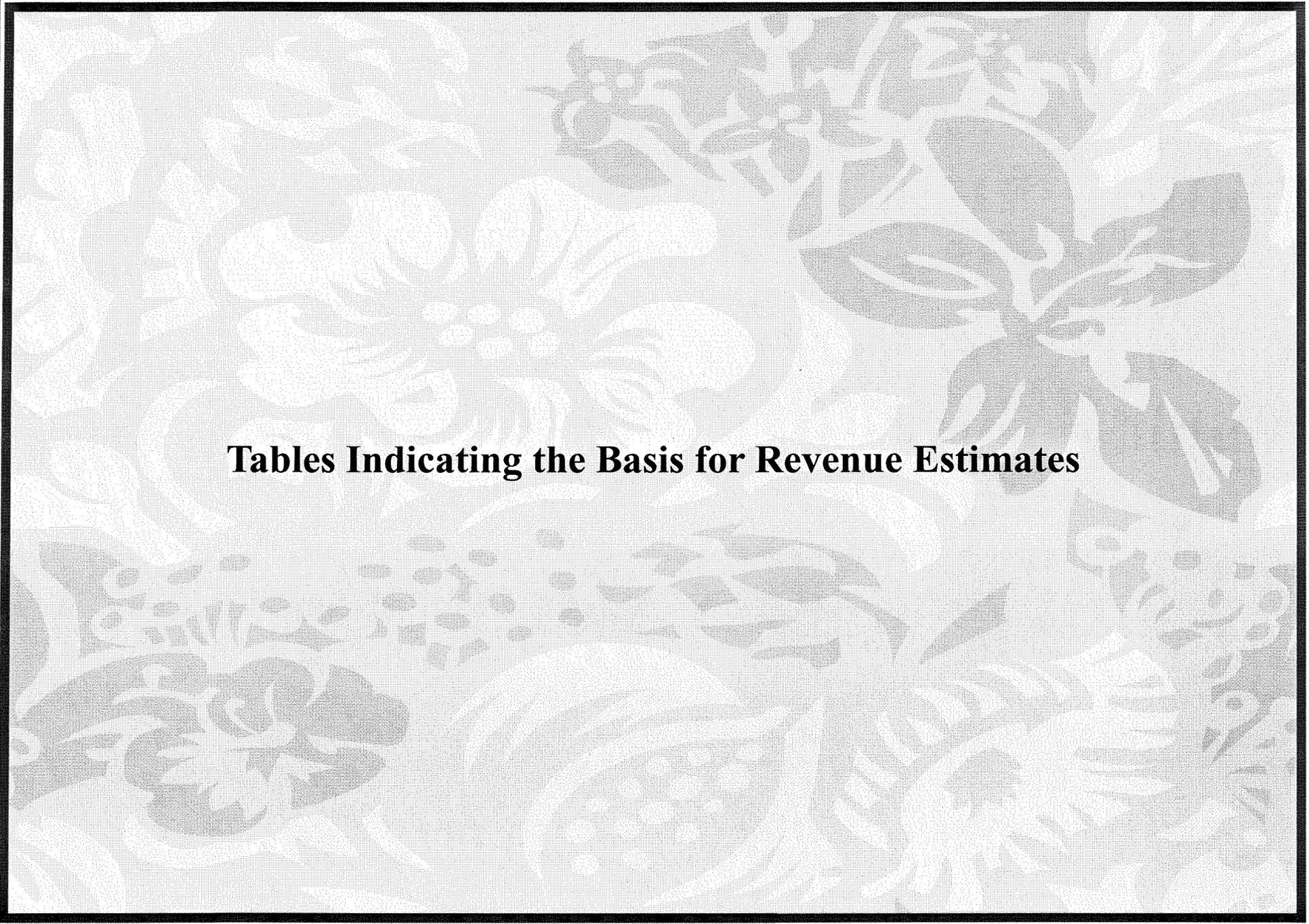
1/ Including Kalawao County (Kalaupapa Settlement). Kalawao had 130 in 1990, 147 in 2000, and 111 in 2005.

2/ Population estimates for 1990 through 1999 were revised based upon the April 1, 2000 figures. The revisions were released April 19, 2002. Population estimates after April 1, 2000 are based on revisions released in March 2006 and may differ somewhat from earlier figures cited in other tables.

Source: U.S. Bureau of the Census, Federal-State Cooperative Program for Population Estimates, "Time Series of Hawaii Intercensal Population Estimates by County: April 1, 1990 to April 1, 2000" (CO-EST2001-12-15)

<<http://eire.census.gov/popest/data/counties/tables/CO-EST2001-12/CO-EST2001-12-15.php>> accessed April 19, 2002; "Table 1: Annual Estimates of the Population for Counties of Hawaii: April 1, 2000 to July 1, 2005" (CO-EST2005-01-15) (March 16, 2006)

<<http://www.census.gov/popest/counties/tables/CO-EST2005-01-15.xls>> accessed March 16, 2006.



Tables Indicating the Basis for Revenue Estimates

ESTIMATES OF GENERAL FUND TAX REVENUE: FY 2007 to FY 2013

(in thousands of dollars)

TYPE OF TAX	ACTUAL		ESTIMATED						
	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
General Excise & Use 2/ & 5/	\$2,136,603	\$2,355,316	\$2,527,087	\$2,760,790	\$2,898,722	\$3,056,076	\$3,206,677	\$3,341,676	\$3,542,056
Income - Individual 6/ & 7/	1,381,059	1,550,164	1,634,464	1,667,437	1,731,557	1,796,081	1,850,502	1,945,063	2,034,544
Income - Corporation	85,605	130,010	134,363	129,768	125,882	119,000	107,889	104,920	101,546
Public Service Company	108,686	120,679	128,732	140,844	153,005	165,255	177,656	190,239	203,061
Insurance Premiums	83,077	88,068	84,595	78,645	77,766	84,176	87,155	112,207	128,511
Tobacco & Licenses	84,079	86,827	88,878	91,144	93,426	95,802	98,163	100,599	103,106
Liquor & Permits	43,737	45,955	47,323	48,489	49,663	50,834	52,017	53,213	54,425
Banks & Other Fin Corps 3/	36,520	16,324	17,933	19,334	20,660	21,971	23,305	24,651	26,040
Conveyance 4/ & 8/	12,291	20,720	18,518	29,058	30,536	31,920	33,245	34,696	36,195
Miscellaneous *	13,493	4,551	521	523	527	530	533	535	538
Transient Accommodation Tax 1/	12,389	16,378	18,104	17,151	19,679	22,193	24,726	27,352	30,098
NET TOTAL	\$3,997,539	\$4,434,992	\$4,700,518	\$4,983,183	\$5,201,423	\$5,443,838	\$5,661,868	\$5,935,151	\$6,260,120
GROWTH RATE	16.0%	10.9%	6.0%	6.0%	4.4%	4.7%	4.0%	4.8%	5.5%

Notes:

1/ Deposits of 44.8% of TAT revenues to counties (Act 156, SLH 1998); 32.6% to the tourism special fund and 5.3% to the TAT trust fund (Act 250, SLH 2002); 17.3% to the convention center enterprise fund (Act 253, SLH 2002); all net of general fund deposits of excess of fund ceilings. Act 235, SLH 2005, increases allocation to the tourism special fund to 34.2% and repeals the TAT trust fund. Effective on July 1, 2007. Act 209, SLH 2006, increases ceiling on allocation to the convention center enterprise fund to \$33 million. Effective on July 1, 2006.

2/ Act 100, SLH 2003, provides a nonrefundable attractions & educational facilities tax credit equal to 100% of certain costs incurred after May 31, 2003, & before June 1, 2009, for the development of such facilities at Ko Olina Resort & Marina & the Makaha Resort. Of the maximum \$7.5 million credit per year, the general fund loss is estimated at \$4 million.

3/ Transfers \$16.5 million of the litigated claims fund.

4/ Act 156, SLH 2004, increases conveyance tax rates based on a sliding scale. Deposits of 10% of conveyance tax revenues to the land conservation fund; 30% to the rental housing trust fund; 25% to the natural area reserve fund. Effective on July 1, 2005.

5/ FY 2008 includes \$30 million, estimated spillover from June 30, 2007 falling on a weekend. FY 2012 excludes \$30 million, due to June 30, 2012 falling on a weekend.

6/ Act 113, SLH 2004, changes the due date for withholding tax on wages. Applies to withholding requirements for payroll periods beginning on or after December 31, 2004.

7/ Act 110, SLH 2006, increases standard income tax deduction and expands income tax brackets. Effective on January 1, 2007.

8/ Act 100, SLH 2006, increases allocation to the rental housing trust fund to 50%. It takes effective on July 1, 2006 and will be repealed on June 30, 2007.

* Includes inheritance and estate tax.

INDIVIDUAL INCOME TAX
(in Thousands of Dollars)

	Actual FY 2006	11/05 Estimate		11/04 Estimate	
		Amount	As % of Actual	Amount	As % of Actual
Withholding Tax	\$1,230,018	\$1,268,091	103.1%	\$1,296,096	105.4%
Decl. of Estimated Tax	\$426,864	\$348,861	81.7%	\$303,873	71.2%
Payment w/ Final Return	\$210,629	\$160,295	76.1%	\$160,744	76.3%
Amount of Refunds	(\$316,915)	(\$329,148)	103.9%	(\$384,737)	121.4%
Election Campaign Fund	(\$186)	(\$222)	119.5%	(\$271)	145.4%
School Minor Repairs & Maintenance Fund	(\$74)	(\$115)	155.6%	(\$120)	162.5%
Public Libraries Fund	(\$60)	(\$88)	146.5%	n/a	
Domestic Violence\Child Abuse Neglect Fund	(\$111)	n/a		n/a	
NET TOTAL	\$1,550,165	\$1,447,674	93.4%	\$1,375,585	88.7%

Tax rates: 1.4% on first \$2,000; 3.2% on next \$2,000; 5.5% on next \$4,000; 6.4% on next \$4,000; 6.8% on next \$4,000; 7.2% on next \$4,000; 7.6% on next \$10,000; 7.9% on next \$10,000; 8.25% over \$40,000.

Head of Household: 1.4% on first \$3,000; 3.2% on next \$3,000; 5.5% on next \$6,000; 6.4% on next \$6,000; 6.8% on next \$6,000; 7.2% on next \$6,000; 7.6% on next \$15,000; 7.9% on next \$15,000; 8.25% over \$60,000.

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CORPORATION INCOME TAX
(in Thousands of Dollars)

	Actual FY 2006	11/05 Estimate		11/04 Estimate	
		Amount	As % of Actual	Amount	As % of Actual
Decl. of Estimated Tax	\$161,795	\$128,439	79.4%	\$113,489	70.1%
Payment w/ Final Return	\$15,118	\$19,655	130.0%	\$15,508	102.6%
Amount of Refunds	(\$46,904)	(\$61,425)	131.0%	(\$56,391)	120.2%
NET TOTAL	\$130,010	\$86,668	66.7%	\$72,606	55.8%

Tax Rates: 4.40% of taxable income up to \$25,000; 5.40% on next \$75,000; 6.40% over \$100,000.

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INDIVIDUAL INCOME TAX
(In Thousands of Dollars)

	Actual FY 2006	Estimated FY 2007	Estimated FY 2008	Estimated FY 2009	Estimated FY 2010	Estimated FY 2011	Estimated FY 2012	Estimated FY 2013
Withholding Tax	\$1,230,018	\$1,296,907	\$1,323,070	\$1,373,948	\$1,425,146	\$1,468,328	\$1,543,360	\$1,614,361
Decl. of Estimated Tax	\$426,864	\$450,077	\$459,157	\$476,813	\$494,581	\$509,567	\$535,606	\$560,246
Payment w/ Final Return	\$210,629	\$222,083	\$226,563	\$235,276	\$244,043	\$251,437	\$264,286	\$276,444
Amount of Refunds	(\$316,915)	(\$334,168)	(\$340,914)	(\$354,036)	(\$367,241)	(\$378,377)	(\$397,731)	(\$416,045)
Election Campaign Fund	(\$186)	(\$188)	(\$190)	(\$192)	(\$194)	(\$195)	(\$197)	(\$199)
School Minor Repairs & Maintenance Fund	(\$74)	(\$75)	(\$75)	(\$76)	(\$77)	(\$78)	(\$79)	(\$79)
Public Libraries Fund	(\$60)	(\$61)	(\$61)	(\$62)	(\$62)	(\$63)	(\$64)	(\$64)
Domestic Violence\Child Abuse Neglect Func	(\$111)	(\$112)	(\$113)	(\$114)	(\$116)	(\$117)	(\$118)	(\$119)
NET TOTAL	\$1,550,165	\$1,634,464	\$1,667,437	\$1,731,557	\$1,796,081	\$1,850,502	\$1,945,063	\$2,034,544

Tax rates: 1.4% on first \$2,000; 3.2% on next \$2,000; 5.5% on next \$4,000; 6.4% on next \$4,000; 6.8% on next \$4,000; 7.2% on next \$4,000; 7.6% on next \$10,000; 7.9% on 8.25% over \$40,000.

Head of Household: 1.4% on first \$3,000; 3.2% on next \$3,000; 5.5% on next \$6,000; 6.4% on next \$6,000; 6.8% on next \$6,000; 7.2% on next \$6,000; 7.6% on next \$15,000 \$15,000; 8.25% over \$60,000.

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CORPORATION INCOME TAX
(In Thousands of Dollars)

	Actual FY 2006	Estimated FY 2007	Estimated FY 2008	Estimated FY 2009	Estimated FY 2010	Estimated FY 2011	Estimated FY 2012	Estimated FY 2013
Decl of Estimated Tax	\$161,795	\$167,213	\$161,494	\$156,658	\$123,094	\$111,600	\$108,529	\$105,039
Payment w/ Final Return	\$15,118	\$15,624	\$15,090	\$14,638	\$13,838	\$12,546	\$12,201	\$11,808
Amount of Refunds	(\$46,904)	(\$48,474)	(\$46,816)	(\$45,415)	(\$17,932)	(\$16,257)	(\$15,810)	(\$15,302)
NET TOTAL	\$130,010	\$134,363	\$129,768	\$125,882	\$119,000	\$107,889	\$104,920	\$101,546

Tax Rates: 4.40% of taxable income up to \$25,000; 5.40% on next \$75,000; 6.40% over \$100,000.

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LEGAL REFERENCE AND EFFECTIVE DATE OF LATEST REVISION FOR STATE GENERAL FUND TAX REVENUES		
Type of Tax	Legal Reference HRS	Revision Date
General Excise	Chapter 237	06/04/03
Use	Chapter 238	01/01/03
General Excise Lic. & Fees	Chapter 237	07/03/96
Banks & other Financial Corp.	Chapter 241	06/01/97
Income - Corporation	Chapter 235	01/01/04
Income - Individual	Chapter 235	01/01/07
Inheritance & Estate	Chapter 236	01/01/83
Insurance Premiums	Chapter 431	01/01/99
Liquor & Permits	Chapter 244D	07/01/01
Tobacco & Licenses *	Chapter 245	07/01/03
Public Service Company	Chapter 239	10/01/01
Conveyance	Chapter 247	07/01/06
Fuel - Retail Permits	Chapter 243	07/01/04
R. P. Appeal Deposits	Chapter 232	04/11/89
Transient Accommodations	Chapter 237D	07/01/06
Vehicle Surcharge	Chapter 251	10/01/01

* Act 316, SLH 2006, increases the excise tax per cigarette by one cent per year over a six-year span, starting on and after September 30, 2006. The increase in cigarette tax has no impact on the State General Fund Revenues; however, the share of cigarette tax revenues deposited into the State General Fund Revenues decreases.