



## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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### HAWAII ENTERPRISE ZONES (EZ) PARTNERSHIP END-OF-YEAR REPORT FORM

This is the End-of-Year report form (Form EZ2). It includes two sections, A and B, that need to be completed and submitted to your county EZ coordinator by the dates indicated below:

**SECTION A. GROSS REVENUE AND HIRING INFORMATION (Please submit within 30 days after the end of your tax year if possible. Later submissions are acceptable as long as you allow sufficient time for processing prior to your tax filing deadline or prior to any deadline for amending past tax returns).**

**SECTION B. TAX AND PAYROLL INFORMATION (Please submit within 30 days after filing your state income and excise tax returns for the full or partial tax year for which you wish to claim EZ tax benefits).**

#### CHANGES IN THE LAW APPLICABLE TO COMPANIES ENROLLING IN THE EZ PROGRAM BETWEEN JULY 1, 2011 THROUGH JUNE 30, 2013

**Effective July 1, 2011:** The GET exemption for gross proceeds received by qualified businesses in enterprise zones that do not have valid certificates of qualification from DBEDT is suspended. This will affect new companies enrolling in the EZ program during the period July 1, 2011 through June 30, 2013.

#### CHANGES IN THE LAW APPLICABLE TO NON-AGRICULTURAL EZ COMPANIES

**Effective 7/1/2008:**

1. You may include leased employees towards your employment count if they were employed with you full-time for at least a year prior to the end of the reporting period.
2. For businesses classified as “existing” the hiring requirements have changed. An increase of staff by 10% by the end of the 1st year, and at least 15% in years 4,5,6, and 7.
3. There were several additional provisions, however, they relate to agricultural producers. For a complete description see [www.hawaii.gov/dbedt/business/programs/ez\\_under Act 143](http://www.hawaii.gov/dbedt/business/programs/ez_under_Act_143).

**Effective 7/1/09:**

1. For qualification purposes, you may count gross receipts attributable to the active conduct of trade or business within enterprise zones located within the same county.
2. For qualification purposes, you may count full-time employees employed within enterprise zones located within the same county.
3. The transfer of title of tangible personal property sold within an enterprise zone shall take place in an enterprise zone located within the same county in which the property is sold.

<p style="text-align: center;"><b>CHANGES IN THE LAW APPLICABLE TO AGRICULTURAL PRODUCERS OR PROCESSORS</b></p>
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**Effective 7/1/2008:**

1. You may include sales from value-added agricultural products to calculate line A.5. This will count towards *certification only*. You still *owe GET* on the value-added agricultural retail sales.
2. You may include leased employees in your count if they were employed with you for at least a year prior to the end of the reporting period.
3. In the event of a force majeure (natural disaster), please notify us immediately or within 30 days. You may still be eligible to receive EZ benefits during this period.
4. For businesses classified as “existing” the hiring requirements have changed. An increase of staff by 10% by the end of the 1st year, and at least 15% in years 4,5,6, and 7.
5. In lieu of hiring more workers (line A.6), total gross sales must increase by at least 2%.

**Effective 7/1/09:**

1. For qualification purposes, you may count gross receipts attributable to the active conduct of trade or business within enterprise zones located within the same county.
2. For qualification purposes, you may count full-time employees employed within enterprise zones located within the same county.
3. For qualification purposes, you may count gross sales of agricultural crops produced, or agricultural products processed within enterprise zones located within the same county.
4. The transfer of title of tangible personal property sold within an enterprise zone shall take place in an enterprise zone located within the same county in which the property is sold.

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If the requirements are met, you will be issued a certification letter. Attach copies of the certification letter to your general excise and state income tax forms when they are filed. (Note: You will also need to include State of Hawaii Tax Department Form N-756 and N-756A for corporations with your State income tax return.) Thus, it is important to submit this report prior to your general excise and State income tax filing deadlines. If you do not qualify, you will also be notified and you will be required to pay all taxes due when you file.

You should submit Section B to your county EZ coordinator within 30 days after filing your tax returns.

Only a person authorized to act on behalf of the business is permitted to sign each section.

***QUESTIONS? Contact the State Enterprise Zones contacts listed on the last page.***

**BUSINESS NAME (EZ Address)** \_\_\_\_\_

For full or partial tax year beginning \_\_\_\_\_ and ending \_\_\_\_\_.  
(date) (date)

**SECTION A:**  
**GROSS REVENUE INFORMATION:**

Reminder: Both the *EZ general excise tax exemption* and the *EZ income tax credits* apply only to taxes due on gross revenues from EZ-eligible transactions within a zone. Also, if you are applying for EZ benefits for a partial tax year, only revenues from those months during which your EZ establishment was eligible to participate in the EZ program may be used.

**NOTE: GET exemption is suspended for companies enrolling in the EZ program July 1, 2011 through June 30, 2013.**

**0.5% (Wholesale) GENERAL EXCISE TAX RATE:**

**A. 1** \$ \_\_\_\_\_ Total gross revenues from all wholesale transactions, both inside and outside enterprise zones located within the same county, attributed to your EZ establishment during the full or partial tax year for which you wish to qualify for EZ tax benefits. (Maps are available online)

**A. 2** \_\_\_\_\_ % Percentage of A.1 from transactions recorded inside the zone(s).

**4% (Retail) GENERAL EXCISE TAX RATE**

<b>FOR RETAIL SALES</b>	<p><b>A. 3</b> \$ _____ Total gross revenues from all retail transactions, both inside and outside enterprise zones located within the same county, attributed to your EZ establishment during the full or partial tax year ( number of months) for which you wish to qualify for EZ tax benefits. (Maps are available online)</p> <p><b>A. 4</b> _____ % Percentage of A.3 from transactions recorded inside the zone(s).</p> <p><b>A. 5</b> _____ % Percentage of A.3 from EZ-eligible transactions including receipts from value-added products made from crops grown within enterprise zones located within the same county and sold at retail.</p>
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**A.6. For agricultural producers taking advantage of the 2% increase in sales in lieu of hiring more employees:**

\$ \_\_\_\_\_ Total gross revenues (wholesale and retail transactions)

\_\_\_\_\_ % Percentage of A.1 and A.3 from transactions recorded inside the zone(s).

**HIRING INFORMATION:**

Please provide the following information.

**A. 6** \_\_\_\_\_ Average number of full-time employees at your EZ establishment.  
(Add the number of full-time employees and full-time leased employees (employed for at least 1 year) during each pay period, and divide by the number of pay periods during the full or partial tax year for which you wish to qualify for EZ tax benefits.) Full-time = 20 hours or more weekly.

**CONTRACTOR EXEMPTION FROM GENERAL EXCISE TAX:**

**NOTE: Effective July 1, 2011 through June 30, 2013, the GET exemption is suspended for licensed contractors and sub-contractors doing work for EZ companies.**

*PLEASE SUBMIT SECTION A WITHIN 30 DAYS AFTER THE END OF THE FULL OR PARTIAL TAX YEAR COVERED BY THIS REPORT.*

BUSINESS NAME \_\_\_\_\_

MAILING ADDRESS \_\_\_\_\_  
\_\_\_\_\_

NAME (please print) \_\_\_\_\_

TITLE \_\_\_\_\_

SIGNATURE \_\_\_\_\_  
(Owner or authorized agent)

DATE \_\_\_\_\_

PHONE \_\_\_\_\_ FAX \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

**FOR OFFICIAL USE ONLY**

COUNTY:DATE RECEIVED \_\_\_\_\_ COUNTY:APPROVED \_\_\_\_\_  
(please initial)

**BUSINESS NAME (EZ Address)** \_\_\_\_\_

For full or partial tax year beginning \_\_\_\_\_ and ending \_\_\_\_\_.  
(date) (date)

**SECTION B:**  
**TAX AND PAYROLL INFORMATION**

*NOTE:* When providing the information requested below, leave "All Hawaii Operations" blank if your EZ establishment is your only operation in Hawaii. Also leave blank any questions that request information for a year during which your EZ establishment and/or other Hawaii operations did not exist.

**B. 1** Total value of EZ exemption from general excise tax on EZ-eligible revenues for the time period covered by this report. \$ \_\_\_\_\_

**B. 2** Unemployment Insurance premiums paid during the full or partial tax year for the time period covered by this report.

EZ Establishment \$ \_\_\_\_\_ All Hawaii Operations \$ \_\_\_\_\_

**B. 3** Total value of EZ income tax credits claimed for time period covered by this report.  
\$ \_\_\_\_\_

**B. 4** Real property taxes paid as Owner, Lessee, or Tenant on property located in the Enterprise Zone during the time period covered by this report.

\$ \_\_\_\_\_

**B. 5** Average monthly payroll during the time period covered by this report.

EZ Establishment \$ \_\_\_\_\_ All Hawaii Operations \$ \_\_\_\_\_

**PLEASE SUBMIT SECTION B WITHIN 30 DAYS AFTER FILING STATE GENERAL EXCISE TAX AND INCOME TAX FORMS FOR THE TIME PERIOD COVERED BY THIS REPORT.**

BUSINESS NAME \_\_\_\_\_

MAILING ADDRESS \_\_\_\_\_  
\_\_\_\_\_

NAME (please print) \_\_\_\_\_

TITLE \_\_\_\_\_

SIGNATURE \_\_\_\_\_  
(Owner or authorized agent)

DATE \_\_\_\_\_

PHONE \_\_\_\_\_ FAX \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

**FOR OFFICIAL USE ONLY**

COUNTY:DATE RECEIVED \_\_\_\_\_ COUNTY:APPROVED \_\_\_\_\_  
(please initial)

# HAWAII STATE AND COUNTY ENTERPRISE ZONES COORDINATORS

## CONTACT INFORMATION

State of Hawaii Department of Business, Economic Development & Tourism  
P.O. Box 2359  
Honolulu, Hawaii 96804

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County of Kauai  
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