

Hawaii sales tax guide

Standard rate

The standard rate in Hawaii for sales tax for 2024 is 4-4.5%.

Reduced rate

There is a reduced rate of 0.5% for wholesaling goods, manufacturing, producing, providing wholesale services, and business activities of disabled people.

Sales of tax-free products and services

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Who must register sales tax in Hawaii

A person is engaging in business in the State, regardless of whether the person is physically present in the State if, in the current or preceding calendar year, the person has a gross income of \$100,000 or more from the sale of tangible personal property delivered in the State, services used or consumed in the State, or intangible property used in the State; or the person has entered into 200 or more separate transactions. If you do not meet any of the criteria that create nexus in Hawaii (physical, economic, or otherwise), you won't need to [register for a sales tax license](#) in this state.

Threshold

If you are a retailer with a physical presence in Hawaii or you are a remote seller who has crossed the economic nexus threshold for Hawaii (\$100,000/year in gross revenue, or more than 200 separate sales transactions in Hawaii in the previous or current calendar year), then you will need to register for a Hawaii sales tax license.

[Merchant thresholds by state](#)

[Marketplace thresholds by state](#)

The special rules are applicable to the SAAS business.

[Software as Service Tax Thresholds by state.](#)

Online Marketplaces

All businesses that sell taxable tangible personal property in Hawaii are required to register with the state and collect and transfer sales tax. Providers of many services required to complete the sale of taxable tangible personal property must also register and collect.

If all of your sales in Hawaii are through a marketplace reseller platform, you will need to [register for paying sales tax](#) if you meet the \$100,000 or 200 transactions threshold for remote sellers.

Sales tax payment and filing date

Based on your tax liability, determine your filing frequency – either monthly, quarterly or Annual:

Annual – \$0 to \$2,000;

Quarterly – \$2,000 to \$4,000;

Monthly – \$4,000 and up.

Sales tax returns are always due on the 20th day of the month following the broadcasting period. If the filing due date falls on a weekend or holiday, sales tax is due the next day.

Penalty and interest

Taxpayers who file their tax return late will be subject to a late-filing penalty of 5% per month, or part of a month, on the unpaid tax up to a maximum of 25%. Interest is calculated at 2/3 of 1% per month or part of a month, on unpaid taxes and penalties beginning with the first calendar day after the date prescribed for payment, whether or not the first calendar day falls on a weekend or legal holiday.

Exemption

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