



States' Biofuels Statutes

STATE OF HAWAII

This project was undertaken in partnership with the USDA Office of the Chief Economist, The Office of Energy Policy and New Uses. For information on the full project, visit [States' Biofuels Statutory Citations](#). These statutes are placed in reverse chronological order using the date of the most recent amendment to the statute. Many biofuels laws were enacted as amendments to previously passed laws.

Current through the 2013 Legislative Session of the Hawaii General Assembly.

§ 235-7.3. Royalties derived from patents, copyrights, or trade secrets excluded from gross income

(a) In addition to the exclusions in section 235-7, there shall be excluded from gross income, adjusted gross income, and taxable income, amounts received by an individual or a qualified high technology business as royalties and other income derived from any patents, copyrights, and trade secrets:

- (1) Owned by the individual or qualified high technology business; and
- (2) Developed and arising out of a qualified high technology business.

(b) With respect to performing arts products, this exclusion shall extend to:

- (1) The authors of performing arts products, or any parts thereof, without regard to the application of the work-for-hire doctrine under United States copyright law;
- (2) The authors of performing arts products, or any parts thereof, under the work-for-hire doctrine under United States copyright law; and
- (3) The assignors, licensors, and licensees of any copyright rights in performing arts products, or any parts thereof.

(c) For the purposes of this section:

“Performing arts products” means:

- (1) Audio files, video files, audiovideo files, computer animation, and other entertainment products perceived by or through the operation of a computer; and

(2) Commercial television and film products for sale or license, and reuse or residual fee payments from these products.

“Qualified high technology business” means a business that conducts more than fifty per cent of its activities in qualified research.

“Qualified research” means:

- (1) The same as in section 41(d) of the Internal Revenue Code;
- (2) The development and design of computer software for ultimate commercial sale, lease, license or to be otherwise marketed, for economic consideration. With respect to the software’s development and design, the business shall have substantial control and retain substantial rights to the resulting intellectual property;
- (3) Biotechnology;
- (4) Performing arts products;
- (5) Sensor and optic technologies;
- (6) Ocean sciences;
- (7) Astronomy; or
- (8) Nonfossil fuel energy-related technology.

Credits: Laws 1999, ch. 178, § 22; Laws 2000, ch. 297, § 6; Laws 2001, ch. 221, § 7; Laws 2004, ch. 215, § 6.