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STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ
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September 19, 2023

COMPTROLLER'S MEMORANDUM NO. 2023-20

TO: Heads of Departments and Agencies

ATTN: Administrative and Fiscal Offices

FROM: Keith A. Regan, Comptroller 
for

SUBJECT: State Incremental Borrowing Rate (IBR) Related to GASB No. 96 – Subscription-Based Information Technology Arrangements (SBITAs)

As part of the State's adoption and implementation of Governmental Accounting Standards Board (GASB) Statement No. 96 – SBITAs, the State will adopt the use of its taxable borrowing rate as the default rate absent an explicit interest rate in an agreement.

As of July 1, 2022, and for the period through June 30, 2023, the default rate to be used for GASB 96 accounting is 3.926%.

This rate is to be used for the accounting for SBITAs under GASB 96.

The IBR will be assessed every July 1st to determine the interest rate to be used for the fiscal year.

If you have any questions in applying the IBR, please contact Ron Shiigi, DAGS Audit Division, at ronald.t.shiigi@hawaii.gov or the GASB implementation project team at dagsauditgasb@hawaii.gov.