
A BILL FOR AN ACT

RELATING TO RENTAL MOTOR VEHICLE SURCHARGE TAX.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to specify that the
2 motor vehicle lessor shall be exempt from the rental motor
3 vehicle surcharge tax if the motor vehicle lessor or the motor
4 vehicle repair dealer retains the record of the repair order.

5 SECTION 2. Section 251-2, Hawaii Revised Statutes, is
6 amended by amending subsection (a) to read as follows:

7 "(a) There is levied and shall be assessed and collected
8 each month a rental motor vehicle surcharge tax of \$2 a day,
9 except that for the period of September 1, 1999, to
10 August 31, 2007, the tax shall be \$3 a day, or any portion of a
11 day that a rental motor vehicle is rented or leased. The rental
12 motor vehicle surcharge tax shall be levied upon the lessor;
13 provided that the tax shall not be levied on the lessor if:

14 (1) The lessor is renting the vehicle to replace a vehicle
15 of the lessee that is being repaired; and

16 (2) ~~The~~ A record of the repair order for the vehicle is
17 retained either by the lessor for ~~four~~ two years for



1 verification purposes[~~-~~] or by a motor vehicle repair
2 dealer for two years as provided in section 437B-16."

3 SECTION 3. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 4. This Act shall take effect on July 1, 2050.

Report Title:

Rental Motor Vehicle Surcharge Tax

Description:

Specifies that either the lessor or the repair dealer needs to retain a record of the repair order in order for the lessor to be exempt from the rental motor vehicle surcharge tax.

Effective 7/1/50. (SD2)

