

Honolulu, Hawaii

Feb 8, 2006

RE: H.B. No. 2877

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Economic Development & Business Concerns and Transportation, to which was referred H.B. No. 2877 entitled:

"A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX,"

beg leave to report as follows:


The purpose of this bill is to suspend the application of the general excise tax on motor vehicle fuel for two years.

The Hawaii Transportation Association and Robert's Hawaii testified in support of this bill. The Department of Business, Economic Development, and Tourism and Aloha Petroleum, Ltd. supported the intent of this bill. The Department of Taxation and the Tax Foundation of Hawaii provided comments.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business Concerns and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2877 and recommend that it pass Second Reading and be referred to the Committee on Finance.



Respectfully submitted on
behalf of the members of the
Committees on Economic
Development & Business Concerns
and Transportation,



JOSEPH M. SOUKI, Chair



JUN RIKI KARAMATSU, Chair



