
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. The purpose of this Act is to increase rental
2 motor vehicle and tour vehicle surcharge taxes.

3 SECTION 2. Section 251-2, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "**§251-2 Rental motor vehicle and tour vehicle surcharge**
6 **tax.** (a) There is levied and shall be assessed and collected
7 each month a rental motor vehicle surcharge tax of [~~\$2 a day,~~
8 ~~except that for the period of September 1, 1999, to August 31,~~
9 ~~2007, the tax shall be \$3]~~ \$4 a day, or any portion of a day
10 that a rental motor vehicle is rented or leased. The rental
11 motor vehicle surcharge tax shall be levied upon the lessor;
12 provided that the tax shall not be levied on the lessor if:

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

15 (2) A record of the repair order for the vehicle is
16 retained either by the lessor for two years for



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

3 (b) There is levied and shall be assessed and collected
4 each month a tour vehicle surcharge tax of:

5 (1) [~~\$65~~] \$ _____ for each tour vehicle used or partially
6 used during the month that falls into the over twenty-
7 five passenger seat category; and

8 (2) [~~\$15~~] \$ _____ for each tour vehicle used or partially
9 used during the month that falls into the eight to
10 twenty-five passenger seat category.

11 The tour vehicle surcharge tax shall be levied upon the
12 tour vehicle operator."

13 SECTION 3. There is appropriated out of the state highway
14 fund the sum of \$ _____, or so much thereof as may be
15 necessary for fiscal year 2007-2008, and the same sum, or so
16 much thereof as may be necessary for fiscal year 2008-2009, for
17 the purposes of the state highway fund.

18 The sums appropriated shall be expended by the department
19 of transportation for the purposes of this Act.

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 Statutory material to be repealed is bracketed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



1 SECTION 5. This Act shall take effect on September 1,
2 2007; provided that section 3 shall take effect on July 1, 2007.



Report Title:

Taxes; Rental Motor Vehicle and Tour Vehicle Surcharge

Description:

Increases the rental motor vehicle surcharge tax by \$1;
increases the tour vehicle surcharge tax by unspecified amounts.
(SD3)

