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# A BILL FOR AN ACT

RELATING TO GENERAL EXCISE TAX.

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

1           SECTION 1. Chapter 237, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "§237-27.1 Exemption of sale of alcohol fuels. (a) There  
4 shall be exempted from and excluded from the measure of the  
5 taxes imposed by this chapter all of the gross proceeds arising  
6 from the sale of alcohol fuels for consumption or use by the  
7 purchaser and not for resale.

8           (b) As used in this section, "alcohol fuels" means neat  
9 biomass-derived alcohol liquid fuel or a petroleum-derived fuel  
10 and alcohol liquid fuel mixture consisting of at least ten  
11 volume per cent denatured biomass-derived alcohol commercially  
12 usable as a fuel to power aircraft, seacraft, spacecraft,  
13 automobiles, or other motorized vehicles.

14           (c) The director of taxation shall adopt rules pursuant to  
15 chapter 91 necessary to administer this section.

16           (d) This section shall be repealed on December 31, [2006]  
17 2011."



1 SECTION 2. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 3. This Act shall take effect upon its approval  
4 and shall apply to taxable years beginning after December 31,  
5 2006.

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INTRODUCED BY:

Paul Krumm  
Paul

Paul L.

Paul Goh

Paul Goh

Mike Gattand

Frankie Chun Oakland

Frankie Chun



**Report Title:**

GET EXEMPTION; BIOMASS-DERIVED ALCOHOL FUEL

**Description:**

REINSTATES GET EXEMPTION FOR FUEL MIXTURES CONTAINING AT LEAST  
TEN VOLUME PER CENT BIOMASS-DERIVED ALCOHOL

