

JAN 24 2007

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

3 "(a) There is levied and shall be assessed and collected
4 each month a rental motor vehicle surcharge tax of \$2 a day,
5 except that for the period of September 1, 1999, to August 31,
6 [~~2007-~~] _____, the tax shall be \$3 a day, or any portion of a
7 day that a rental motor vehicle is rented or leased[~~-~~], payable
8 to the State; provided that a county may assess a similar tax on
9 rental motor vehicles, not to exceed \$3 a day, for the period of
10 September 1, 2007, to August 31, _____, payable to the respective
11 county assessing the tax. The rental motor vehicle surcharge
12 tax shall be levied upon the lessor; provided that the tax shall
13 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) A record of the repair order for the vehicle is
17 retained either by the lessor for two years for




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

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 Statutory material to be repealed is bracketed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

5 SECTION 3. This Act shall take effect upon its approval.

6

INTRODUCED BY: 



Report Title:

Rental Motor Vehicle Surcharge Tax

Description:

Allows counties to impose a rental motor vehicle surcharge tax of up to \$3 per day. Extends sunset date of tax.

