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# A BILL FOR AN ACT

RELATING TO THE 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 ~~2008, the tax shall be~~] \$3 a day, or any portion of a day that a  
7 rental motor vehicle is rented or leased. The rental motor  
8 vehicle surcharge tax shall be levied upon the lessor; provided  
9 that the tax shall not be levied on the lessor if:

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

12           (2) A record of the repair order for the vehicle is  
13 retained either by the lessor for two years for  
14 verification purposes or by a motor vehicle repair  
15 dealer for two years as provided in section 437B-16."

16           SECTION 2. Statutory material to be repealed is bracketed  
17 and stricken.



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



**Report Title:**

Rental Motor Vehicle Surcharge Tax

**Description:**

Repeals the sunset date of the rental motor vehicle surcharge tax at \$3/day rate. (SD1)

