

JAN 19 2007

S.B. NO. 731

---

---

# A BILL FOR AN ACT

RELATING TO FUEL TAX.

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

1 SECTION 1. Section 243-7, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "~~§243-7 [Tax not applicable, when-]~~ Applicability of tax.

4 (a) This chapter requiring the payment of license fees shall  
5 not be held or construed to apply to fuel imported into the  
6 State in interstate or foreign commerce while and so long as  
7 such fuel is beyond the taxing power of the State, nor to any  
8 such fuel exported or sold to the government of the United  
9 States or any department thereof for official use of the  
10 government, nor to any fuel exported or sold to another licensed  
11 distributor; but every distributor shall be required to report  
12 such imports, exports, and sales as provided by this chapter and  
13 in such detail as the department of taxation shall require.

14 (b) Notwithstanding any law to the contrary, the tax  
15 imposed under this chapter shall apply only to fuel used for  
16 transportation purposes, as specified by rule adopted by the  
17 department pursuant to chapter 91; provided that the tax shall  
18 not apply to fuel used for power generation purposes."



# S.B. NO. 731

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 Statutory material to be repealed is bracketed  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

INTRODUCED BY:

*Greg L. Hoar*

*Amey H. Bol*

*Maureen Q. Suomy*

*Trizanne Chun Calland*

*Carol Fulemaga*



**Report Title:**

Fuel Tax; Power Generation

**Description:**

Specifically exempts the fuel tax for non-transportation fuel uses.

