

JAN 19 2007

---

---

# A BILL FOR AN ACT

RELATING TO THE RENTAL MOTOR VEHICLE AND TOUR 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 to read as follows:

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

- 11           (1) The lessor is renting the vehicle to replace a vehicle  
12                 of the lessee that is being repaired; and
- 13           (2) A record of the repair order for the vehicle is  
14                 retained either by the lessor for two years for  
15                 verification purposes or by a motor vehicle repair  
16                 dealer for two years as provided in section 437B-16.



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

3 (1) \$65 for each tour vehicle used or partially used  
4 during the month that falls into the over twenty-five  
5 passenger seat category; and

6 (2) \$15 for each tour vehicle used or partially used  
7 during the month that falls into the eight to twenty-  
8 five passenger seat category.

9 The tour vehicle surcharge tax shall be levied upon the  
10 tour vehicle operator.

11 (c) The director shall remit to the director of finance  
12 all moneys received under this section for deposit into the  
13 general fund to the credit of the state highway fund; provided  
14 that the funds collected shall be credited to the county in  
15 which the surcharge was collected for use in county  
16 transportation projects."

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 Statutory material to be repealed is bracketed  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

19 SECTION 3. This Act shall take effect on September 1,  
20 2007.

21

INTRODUCED BY: *Russell H Baker*



**Report Title:**

Rental Motor Vehicle; Surcharge

**Description:**

Increases the rental motor vehicle surcharge from \$3 to \$4 and provides that all funds be deposited to general fund for credit to the state highway fund; provided that funds are credited to county in which surcharge was generated for use in county transportation projects.

