

## L E G I S L A T I V E

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- SUBJECT:** MOTOR VEHICLE, Exempt vehicles of Hawaii national guard and reserves
- BILL NUMBER:** SB 3036; HB 3114 (Identical); SB 2448; HB 2605 (Identical)
- INTRODUCED BY:** SB 3036 by Hanabusa by request; HB 3114 by Say by request; SB 2448 by Inouye and 4 Democrats; HB 2605 by Evans and 1 Democrat
- BRIEF SUMMARY:** Adds a new section to HRS chapter 249 to provide that passenger motor vehicles owned by members of the national guard, reserves and active duty members of the armed services, including the coast guard and are residents of Hawaii shall be exempt from motor vehicle registration fees and vehicle weight taxes. The exemption shall not be applicable to vehicles used for commercial purposes.
- SB 2448/HB 2605 proposes a similar exemption to motor vehicles registered to members of the national guard and military reserve, or armed services, including the coast guard assigned to units in the state in a manner similar to the exemption for nonresident military personnel provided under the Soldiers' and Sailors' Civil Relief Act (now known as the Service Members' Civil Relief Act).
- EFFECTIVE DATE:** SB 3036/HB 3114 - July 1, 2008; SB 2448/HB 2605 - October 1, 2008
- STAFF COMMENTS:** SB 3036/HB 3114 is an administration measure submitted by the department of defense DEF-05(08). These measures propose to exempt noncommercial motor vehicles owned by a member of the Hawaii national guard, reserves, armed services, or coast guard domiciled or assigned to a unit in Hawaii from the motor vehicle registration and weight taxes.

Inasmuch as the motor vehicle weight tax and registration fees are user charges designed to recover the cost of construction and maintenance of Hawaii's highway system, there is little justification for exempting national guard personnel. Regardless of the motorist's status, resident or nonresident, active or reserve, all motorists use the state highways and should therefore lend a hand in paying for good and safe roads. Note well, that any exemption granted to a select group of users requires that the lost revenues be made up by those who must continue to pay. Motorists who will have to pick up the additional cost created by this proposed exemption should hold those who would propose such an exemption responsible for raising their taxes.

These measures amount to nothing more than pandering to the current situation. While troops are deployed to areas of danger at the moment, this is not always the case for the national guard and reservists. There is no indication that this select group of motorists is in need of relief from the tax and registration fees and, therefore, there is no justification for this proposal. Administrators, as well as lawmakers, need to separate the two issues and look at the fact that they are in office to insure the efficient operation of state government that provides services to those who pay for those services. They should stick to the business of running government rather than trying to make photo-op points.