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# A BILL FOR AN ACT

RELATING TO ARMED SERVICES.

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

1           SECTION 1. Section 249-2, Hawaii Revised Statutes, is  
2 amended to read as follows:  
3           "**§249-2 Imposition of tax.** (a) Except as otherwise  
4 provided in this section and in sections 249-1 to 249-13, and  
5 except in the case of antique motor vehicles which shall be  
6 subject to an annual tax of \$10 in lieu of the annual tax  
7 otherwise imposed by this section, all vehicles and motor  
8 vehicles as defined in section 249-1, shall be subject to an  
9 annual tax, computed, except for the minimum tax provided for in  
10 section 249-13 according to the net weight of each vehicle at a  
11 rate determined as hereinafter provided in section 249-13. The  
12 tax shall become due and payable on January 1 and must be paid  
13 before April 1, in each year. The tax shall be paid by the  
14 owner of each vehicle in the county in which the vehicle is  
15 located at the time of registration, whether the original  
16 registration or any subsequent registration, and shall be  
17 collected by the director of finance of such county; provided  
18 that if any such vehicle is transported to another county after



1 the payment of such tax, no additional tax shall be imposed on  
2 such vehicle for the remaining period of the year for which such  
3 tax has been paid.

4 (b) Noncommercial motor vehicles owned by veterans who  
5 are:

6 (1) Residents of the State of Hawaii; and

7 (2) Totally disabled for purposes of employability,  
8 according to the disability ratings of the Department  
9 of Veterans Affairs, as a result of a service-related  
10 injury,

11 shall be exempt from the tax imposed under this section.

12 For the purposes of this subsection, "veteran" means a  
13 person who served in the active military, naval, or air service,  
14 coast guard, or national guard or military reserves, was called  
15 to active duty by executive order, and was discharged or  
16 released therefrom under conditions other than dishonorable."

17 SECTION 2. Section 249-31, Hawaii Revised Statutes, is  
18 amended to read as follows:

19 **"§249-31 State registration fee[-]; disabled veteran**  
20 **exemption.** (a) All vehicles and motor vehicles in the State as  
21 defined in section 249-1, including antique motor vehicles,  
22 except as otherwise provided in this section and in sections



1 249-4 and 249-6, shall be subject to a \$25 annual vehicle  
2 registration fee. The fee shall become due and payable on  
3 January 1, and shall be paid before April 1 in each year  
4 together with all other taxes and fees levied by this chapter;  
5 provided that should any county elect to renew motor vehicle  
6 registrations on a staggered basis as authorized by section 286-  
7 51, the state registration for that county shall likewise be  
8 staggered so that the state registration fee is due and payable  
9 at the same time and shall be collected together with the county  
10 fee. The state registration fee shall be deemed delinquent if  
11 not paid with the county registration fee. The respective  
12 counties shall collect this fee together with the vehicle  
13 registration tax collected for the county and shall transfer the  
14 moneys collected under this section to the State.

15 (b) From each annual motor vehicle registration fee, the  
16 director shall deposit \$20 into the state highway fund and \$5  
17 into the emergency medical services special fund.

18 (c) Noncommercial motor vehicles owned by veterans who  
19 are:

20 (1) Residents of the State of Hawaii; and

21 (2) Totally disabled for purposes of employability,

22 according to the disability ratings of the Department



1           of Veterans Affairs, as a result of a service-related  
2           injury,  
3 shall be exempt from the motor vehicle registration fee imposed  
4 under this section.

5           For the purposes of this subsection, "veteran" means a  
6 person who served in the active military, naval, or air service,  
7 coast guard, or national guard or military reserves, was called  
8 to active duty by executive order, and was discharged or  
9 released therefrom under conditions other than dishonorable."

10           SECTION 3. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12           SECTION 4. This Act shall take effect on July 1, 2009.



**Report Title:**

Disabled Veterans; Exemption from Vehicle Taxes and Fees

**Description:**

Exempts from the state motor vehicle tax and vehicle registration fee, noncommercial motor vehicles owned by armed services veterans who are totally disabled for purposes of employability. (HB829 HD1)

