
A BILL FOR AN ACT

RELATING TO AN EXEMPTION TO THE RENTAL VEHICLE AND TOUR VEHICLE
SURCHARGE TAX.

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

1 SECTION 1. The legislature finds that the seemingly global
2 recession has dampened tourism numbers, leading to a strain on
3 our local economy. It has also forced residents to scale back
4 on their travel plans. For those that were set on travelling
5 off island, economic reality may force residents to travel in-
6 state.

7 Tourism-based businesses, such as rental car companies,
8 would welcome this kind of choice by residents, as it would
9 contribute much needed revenue into their businesses, allowing
10 them to keep employees working. The rental motor vehicle
11 surcharge tax, however, increases the price of a rental car,
12 making inter-island getaways that much more expensive for
13 residents.

14 The purpose of this Act is to exempt residents from the
15 rental motor vehicle surcharge tax.



1 SECTION 2. Chapter 251, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§251-A Exemption; residents. Residents of the state
5 shall be exempt from the tax imposed by section 251-2(a). A
6 state identification card or state drivers license listing an
7 in-state address shall be sufficient proof of residency for
8 purposes of this exemption."

9 SECTION 3. New statutory material is underscored.

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

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INTRODUCED BY:

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JAN 26 2009



Report Title:

Rental motor vehicle surcharge tax; exemption

Description:

Exempts residents from the rental motor vehicle surcharge tax.

