
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Section 251-2, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) There is levied and shall be assessed and collected
4 each month a rental motor vehicle surcharge tax of \$2 a day,
5 except that for the period of September 1, 1999, to August 31,
6 2011, the tax shall be \$3 a day, or any portion of a day that a
7 rental motor vehicle is rented or leased. The rental motor
8 vehicle surcharge tax shall be levied upon the lessor; provided
9 that the tax shall not be levied on the lessor if:

10 (1) The lessor is renting the vehicle to replace a vehicle
11 of the lessee that is being repaired; and

12 (2) A record of the repair order for the vehicle is
13 retained either by the lessor for two years for
14 verification purposes or by a motor vehicle repair
15 dealer for two years as provided in section 437B-
16 16[-]; or

17 (3) The lessor is renting an electric motor vehicle.



1 For the purpose of this subsection, the term "electric
2 motor vehicle" means a motor vehicle that is propelled to a
3 significant extent by an electric motor that draws electricity
4 from a battery that:

5 (1) Has a capacity of not less than four kilowatt hours;

6 and

7 (2) Is capable of being recharged from an external source

8 of electricity."

9 SECTION 2. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 3. This Act shall take effect on July 1, 2011 and
12 shall be repealed on June 30, 2013; provided that section 251-
13 2(a), Hawaii Revised Statutes, shall be reenacted in the form in
14 which it read on the day before the effective date of this Act.



Report Title:

Rental Motor Vehicle Surcharge Tax; Electric Vehicles

Description:

Exempts lessors from the rental motor vehicle surcharge tax when renting an electric vehicle for a period of two years.
Effective July 1, 2011. (HB444 HD1)

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