
HOUSE RESOLUTION

EXPRESSING SUPPORT FOR REDUCING THE SURCHARGE IMPOSED ON THE
COUNTIES FOR THE COLLECTION OF THE SURCHARGE ON THE GENERAL
EXCISE TAX TO FUND MASS TRANSIT PROJECTS.

1 WHEREAS, funds for reducing Honolulu's traffic congestion
2 problems must be obtained without increasing taxes; and
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4 WHEREAS, the State retains a portion of revenues collected
5 under sections 46-16.8, 237-8.6, and 238-2.6, Hawaii Revised
6 Statutes, to offset collection and administration costs; and
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8 WHEREAS, the State is now taking in more than it needs to
9 cover the costs of collecting the county surcharge on the
10 general excise tax for mass transit projects for the counties;
11 and
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13 WHEREAS, the State surcharges the counties in the amount of
14 ten per cent of the amount that it collects for the counties,
15 while the Department of Taxation has testified that it needs
16 only a three per cent surcharge to cover the costs of collecting
17 this tax; and
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19 WHEREAS, a surcharge of five per cent by the State would
20 more than cover the costs incurred by the Department of Taxation
21 in collecting this county surcharge on the general excise tax
22 for the counties, as well as more than cover a possible increase
23 in collection costs in the foreseeable future; and
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25 WHEREAS, a reduction of the State's ten per cent surcharge
26 on the county surcharge on the general excise tax would result
27 in an increase in the amount of funds that a county would have
28 to apply to the rail system and, thereby, would contribute to
29 solving Honolulu's traffic congestion problems; now, therefore,
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1 BE IT RESOLVED by the House of Representatives of the
 2 Twenty-sixth Legislature of the State of Hawaii, Regular Session
 3 of 2011, that this body expresses its support for reducing, from
 4 the current rate of ten per cent to the rate of five per cent,
 5 the county surcharge imposed on the general excise tax for mass
 6 transit projects; and

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 8 BE IT FURTHER RESOLVED that certified copies of this
 9 Resolution be transmitted to the Governor, the Director of
 10 Taxation, and the Mayor of each county.

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OFFERED BY: *[Signature]*
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MAR 16 2011

