
A BILL FOR AN ACT

RELATING TO HIGHWAYS.

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

1 SECTION 1. Section 243-4, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) Every distributor, in addition to any other taxes
4 provided by law, shall pay a license tax to the department of
5 taxation for each gallon of liquid fuel refined, manufactured,
6 produced, or compounded by the distributor and sold or used by
7 the distributor in the State or imported by the distributor, or
8 acquired by the distributor from persons who are not licensed
9 distributors, and sold or used by the distributor in the State.
10 Any person who sells or uses any liquid fuel, knowing that the
11 distributor from whom it was originally purchased has not paid
12 and is not paying the tax thereon, shall pay such tax as would
13 have applied to such sale or use by the distributor. The rates
14 of tax imposed are as follows:

15 (1) For each gallon of diesel oil, 2 cents;

16 (2) For each gallon of gasoline or other aviation fuel
17 sold for use in or used for airplanes, 2 cents;



- 1 (3) For each gallon of naphtha sold for use in a power-
2 generating facility, 2 cents;
- 3 (4) For each gallon of liquid fuel, other than fuel
4 mentioned in paragraphs (1), (2), and (3), and other
5 than an alternative fuel, sold or used in the city and
6 county of Honolulu, or sold in any county for ultimate
7 use in the city and county of Honolulu, [~~17~~] ____
8 cents state tax, and in addition thereto an amount, to
9 be known as the "city and county of Honolulu fuel
10 tax", as shall be levied pursuant to section 243-5;
- 11 (5) For each gallon of liquid fuel, other than fuel
12 mentioned in paragraphs (1), (2), and (3), and other
13 than an alternative fuel, sold or used in the county
14 of Hawaii, or sold in any county for ultimate use in
15 the county of Hawaii, [~~17~~] ____ cents state tax, and
16 in addition thereto an amount, to be known as the
17 "county of Hawaii fuel tax", as shall be levied
18 pursuant to section 243-5;
- 19 (6) For each gallon of liquid fuel, other than fuel
20 mentioned in paragraphs (1), (2), and (3), and other
21 than an alternative fuel, sold or used in the county
22 of Maui, or sold in any county for ultimate use in the



1 county of Maui, 17 cents state tax[7] on any island
2 with a total resident population of less than twenty
3 thousand, and _____ cents state tax everywhere else,
4 and in addition thereto an amount, to be known as the
5 "county of Maui fuel tax", as shall be levied pursuant
6 to section 243-5; and

7 (7) For each gallon of liquid fuel, other than fuel
8 mentioned in paragraphs (1), (2), and (3), and other
9 than an alternative fuel, sold or used in the county
10 of Kauai, or sold in any county for ultimate use in
11 the county of Kauai, [~~17~~] _____ cents state tax, and in
12 addition thereto an amount, to be known as the "county
13 of Kauai fuel tax", as shall be levied pursuant to
14 section 243-5.

15 If it is shown to the satisfaction of the department, based
16 upon proper records and from any other evidence as the
17 department may require, that liquid fuel, other than fuel
18 mentioned in paragraphs (1), (2), and (3), is used for
19 agricultural equipment that does not operate upon the public
20 highways of the State, the user thereof may obtain a refund of
21 all taxes thereon imposed by this section in excess of 1 cent



1 per gallon. The department shall adopt rules to administer such
2 refunds."

3 SECTION 2. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 3. This Act shall take effect on July 1, 2011;
6 provided that the amendments made to section 243-4(a), Hawaii
7 Revised Statutes, by section 1 of this Act shall not be repealed
8 when section 243-4(a), Hawaii Revised Statutes, is repealed and
9 reenacted on December 31, 2012, pursuant to section 5 of Act
10 103, Session Laws of Hawaii 2007, as amended by Section 3 of Act
11 198, Session Laws of Hawaii 2009; provided further that this Act
12 shall be repealed on June 30, 2017, and section 243-4(a), Hawaii
13 Revised Statutes, shall be reenacted in the form in which it
14 read on the day prior to the enactment of this Act.



Report Title:

Highway Modernization Program; Taxes; Fees; Pilot Programs

Description:

Increases the state liquid fuel tax in section 243-4(a), Hawaii Revised Statutes, for a period of six years. (HB1531 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

