
A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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 \$7.50 a day,
5 except that after June 30, [~~2012,~~] 2017, the tax shall be \$3 a
6 day, or any portion of a day that a rental motor vehicle is
7 rented or leased. The rental motor vehicle surcharge tax shall
8 be levied upon the lessor; provided that the tax shall not be
9 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 SECTION 2. Section 251-5, Hawaii Revised Statutes, is
17 amended to read as follows:



1 **"§251-5 Remittances.** All remittances of surcharge taxes
2 imposed under this chapter shall be made by cash, bank draft,
3 cashier's check, money order, or certificate of deposit to the
4 office of the taxation district to which the return was
5 transmitted. The department shall deposit the moneys into the
6 state treasury to the credit of the state highway fund; provided
7 that [of] the rental motor vehicle surcharge taxes assessed and
8 collected pursuant to section 251-2(a) [~~the equivalent of \$4.50~~
9 ~~of the tax assessed and collected per day shall be deposited~~
10 ~~into the state treasury to the credit of the general fund.]~~
11 during fiscal years 2012-2013 to 2016-2017, shall be transmitted
12 to the director of finance, who shall deposit the money as
13 follows:

- 14 (1) In each of fiscal years 2012-2013 and 2013-2014,
15 \$50,000,000 shall be deposited into the general fund
16 and the remainder shall be deposited into the rental
17 motor vehicle customer facility charge special fund
18 established pursuant to section 261-5.6; and
19 (2) In each of fiscal years 2014-2015, 2015-2016, and
20 2016-2017, \$30,000,000 shall be deposited into the
21 general fund and the remainder shall be deposited into



1 the rental motor vehicle customer facility charge
 2 special fund established pursuant to section 261-5.6.
 3 The director of finance shall have the discretion to determine
 4 when the surcharge taxes assessed and collected during a fiscal
 5 year are deposited into the specified funds."

6 SECTION 3. Act 104; Session Laws of Hawaii 2011, is
 7 amended by amending section 8 to read as follows:

8 "SECTION 8. This Act shall take effect on June 30, 2011;
 9 provided that part II of this Act shall take effect on July 1,
 10 2011; provided further that on June 30, [~~2012,~~] 2017, sections 4
 11 and 5 of this Act shall be repealed and sections 251-5 and 261-
 12 7, Hawaii Revised Statutes, shall be reenacted in the form in
 13 which they read on the day before the effective date of this
 14 Act."

15 SECTION 4. Statutory material to be repealed is bracketed
 16 and stricken. New statutory material is underscored.

17 SECTION 5. This Act shall take effect on June 29, 2012.



Report Title:

Transportation

Description:

Extends the increase in the Rental Motor Vehicle Surcharge Tax for five years. Extends the suspension of the \$4.50 per day Rental Motor Vehicle Customer Facility Charge for an additional five years. Requires the rental motor vehicle surcharge taxes assessed and collected during the fiscal years 2012-2013 to 2016-2017 to be transmitted to the Director of Finance. Requires the Director of Finance to deposit a specified amount of funds collected into the general fund and the remainder of the funds into the Rental Motor Vehicle Customer Facility Charge Special Fund. Provides the Director of Finance with the discretion to determine when the taxes assessed and collected during a fiscal year will be deposited into the specified funds. Effective June 29, 2012. (HB2800 HD1)

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

