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# A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1 SECTION 1. Section 251-1, Hawaii Revised Statutes, is  
2 amended as follows:

3 1. By adding a new definition to be appropriately inserted  
4 and to read:

5 "Car-sharing organization" means an organization that  
6 operates a membership program under which its members are  
7 permitted to use vehicles from the organization's fleet on an  
8 hourly or other incremental basis less than one full day."

9 2. By amending the definition of "rental motor vehicle" or  
10 "vehicle" to read:

11 "Rental motor vehicle" or "vehicle" means every vehicle  
12 which is:

13 (1) Self-propelled and every vehicle which is propelled by  
14 electric power but which is not operated upon rails  
15 which is rented or leased or offered for rent or lease  
16 in this State, whether for personal or commercial use,  
17 for a period of six months or less; and

18 (2) Designed to carry seventeen passengers or fewer.



- 1 "Rental motor vehicle" or "vehicle" shall not include:
- 2 (1) Mopeds as defined in section 286-2;
- 3 (2) Any trucks, truck-tractors, tractor-semitrailer
- 4 combinations, or truck-trailer combinations, with:
- 5 (A) A manufacturer's nominal carrying capacity of one
- 6 thousand pounds or more; and
- 7 (B) A barrier or separation between the operator's
- 8 compartment and the cargo area; [~~and~~]
- 9 (3) Cargo vans with no more than two seats, including the
- 10 driver's seat; provided that vans with a recreational
- 11 vehicle converter package and vans with quick release
- 12 passenger seats shall not be classified as cargo
- 13 vans[+]; and
- 14 (4) Vehicles that are rented by a car-sharing organization
- 15 to members of its membership program on an hourly or
- 16 other incremental basis for a period of up to six
- 17 hours per day per vehicle."

18 SECTION 2. Section 251-2, Hawaii Revised Statutes, is

19 amended by amending subsection (a) to read as follows:

20 "(a) There is levied and shall be assessed and collected

21 each month a rental motor vehicle surcharge tax of \$7.50 a day,

22 except that after June 30, 2012, the tax shall be \$3 a day, or



1 any portion of a day that a rental motor vehicle is rented or  
 2 leased[-]; provided that a car-sharing organization shall be  
 3 exempt from the rental motor vehicle surcharge tax on rentals of  
 4 vehicles to members of its membership program for up to six  
 5 hours per day per vehicle. The rental motor vehicle surcharge  
 6 tax shall be levied upon the lessor; provided that the tax shall  
 7 not be levied on the lessor if:

8 (1) The lessor is renting the vehicle to replace a vehicle  
 9 of the lessee that is being repaired; [~~and~~]

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

15 (3) The vehicle is rented by a car-sharing organization,  
 16 the lessor is a member of that car-sharing  
 17 organization, and the car-sharing organization rents  
 18 vehicles to members of its membership program on an  
 19 hourly basis; provided that a car-sharing organization  
 20 shall be exempt from the rental motor vehicle  
 21 surcharge tax on rentals of up to six hours per day  
 22 per vehicle."



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

3 SECTION 4. This Act shall take effect upon its approval.



**Report Title:**

Rental Motor Vehicle and Tour Vehicle Surcharge Tax; Car-Sharing

**Description:**

Exempts from the rental motor vehicle and tour vehicle surcharge tax, vehicles that are rented by a car-sharing organization to members of its membership program on an hourly basis for up to six hours per day per vehicle. (SD1)

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

