

LATE
SB1324

NEIL ABERCROMBIE
GOVERNOR

BRIAN SCHATZ
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
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FREDERICK D. PABLO
INTERIM DIRECTOR OF TAXATION

RANDOLF L. M. BALDEMOR
DEPUTY DIRECTOR

LATE

SENATE COMMITTEE ON COMMERCE & CONSUMER PROTECTION

**TESTIMONY OF THE DEPARTMENT OF TAXATION
REGARDING SB 1324
RELATING TO RENTAL MOTOR VEHICLE SURCHARGE TAX**

TESTIFIER: FREDERICK D. PABLO, INTERIM DIRECTOR OF
TAXATION (OR DESIGNEE)
COMMITTEE: CPN
DATE: FEBRUARY 8, 2011
TIME: 10:30AM
POSITION: SUPPORT

This measure proposes to make the \$3 per day rental motor vehicle surcharge tax permanent.

The Department of Taxation (Department) **supports** this measure.

Currently, there is a rental motor vehicle surcharge of \$3 per day, which will drop to \$2 per day after August 31, 2011. Maintaining the \$3 per day rate will assist greatly with providing a consistent revenue stream for the State Highway Fund.

This measure is projected to result in a revenue gain to the Highway Fund of approximately \$11.2 million for FY 2012 and \$13.5 million for FY 2013.