

STAND. COM. REP. NO.

541

Honolulu, Hawaii

February 15, 2013

RE: H.B. No. 551

H.D. 2

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 551, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO RENTAL MOTOR VEHICLE SURCHARGE TAX,"

begs leave to report as follows:

The purpose of this measure is to provide fair rental policies for car-sharing organizations in Hawaii by prorating the Rental Motor Vehicle Surcharge Tax down to 12.5 cents per hour on car-sharing rentals of less than six hours; provided that for each car-sharing rental of six hours or more, the tax shall be assessed at \$3 a day.

The Department of Transportation; Sierra Club, Hawaii Chapter; Blue Planet Foundation; and EAN Holdings, LLC supported this measure. The Department of Taxation, The Hertz Corporation, and a concerned individual supported the intent of this bill. The Tax Foundation of Hawaii offered comments on this measure.

Your Committee has amended this measure by clarifying that the Rental Motor Vehicle Surcharge Tax for car-sharing organizations shall be prorated at 12.5 cents per hour regardless of the length of time the car is rented.

HB551 HD2 HSCR CPC HMS 2013-2149



As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 551, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 551, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ANGUS L.K. MCKELVEY, Chair



