
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. The legislature finds that according to the
2 Hawaii tourism authority, visitors to the State spend in excess
3 of \$1,200,000,000 per month. The aviation industry is important
4 for inter-island travel for tourism, medical needs, and inter-
5 island commerce. The State's economy is highly dependent on
6 tourism and the ability to travel between islands. There is a
7 proliferation of helicopter use in the State for travel,
8 recreational, and medical needs. However, only traditional
9 aircrafts are afforded certain tax exemptions. Due to changes
10 in the industry and travel options, taxes levied on aviation
11 businesses need to be updated to promote inter-island travel
12 options for visitors and residents, and the interests of the
13 State.

14 The purpose of this Act is to create equity among the types
15 of available aircrafts by exempting amounts received from the
16 servicing and maintenance of helicopters and the construction of



1 maintenance facilities at which helicopters are serviced from
2 the general excise tax.

3 SECTION 2. Section 237-24.9, Hawaii Revised Statutes, is
4 amended by amending the definition of "aircraft" in subsection
5 (b) to read as follows:

6 "Aircraft" means any craft or artificial contrivance of
7 whatever description engaged in intrastate, interstate, or
8 international scheduled commercial use as defined in chapter
9 263, that operates with two or more jet engines~~[]~~, or a
10 helicopter."

11 SECTION 3. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 4. This Act shall take effect on January 1, 2018.



Report Title:

Taxation; Aviation; General Excise Tax

Description:

Exempts amounts received from servicing and maintenance of helicopters and the construction of maintenance facilities at which helicopters are serviced from the general excise tax.
(HB484 HD1)

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