
A BILL FOR AN ACT

RELATING TO THE GENERAL EXCISE TAX.

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

1 SECTION 1. Section 237-24.9, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:

3 "(b) As used in this section:

4 "Aircraft" means any [~~eraft~~]:

5 (1) Craft or artificial contrivance of whatever
6 description engaged in intrastate, interstate, or
7 international scheduled commercial use as defined in
8 chapter 263, that operates with two or more jet
9 engines [~~-~~]; or

10 (2) Helicopter.

11 "Aircraft service and maintenance" means all scheduled and
12 unscheduled tasks performed within an aircraft service and
13 maintenance facility for the inspection, modification,
14 maintenance, and repair of aircraft and related components
15 including engines, hydraulic and electrical systems, and all
16 other components which are an integral part of an aircraft.



1 "Aircraft service and maintenance facility" means a
2 facility for aircraft service and maintenance; provided that
3 [is]:

4 (1) A facility that services and maintains jet aircraft
5 shall be not less than thirty thousand square feet in
6 area, [and] which may include ancillary space [which]
7 that is integral to the facility, such as parts and
8 inventory warehouse space, tool rooms, and related
9 administrative and employee space[-]; and

10 (2) For a facility that services and maintains
11 helicopters, no less than seventy-five per cent of the
12 helicopters serviced and maintained annually shall be
13 equipped with quiet technology.

14 "Construction of an aircraft service and maintenance
15 facility" means all design, engineering, labor, and material
16 costs associated with the construction of facilities the
17 [+]principal[+] purpose of which is the provision of facilities
18 for aircraft service and maintenance.

19 "Maintenance" means the upkeep of aircraft engines,
20 hydraulic and electrical systems, and all other components which
21 are an integral part of an aircraft, but does not include



1 refueling, janitorial services or cleaning, restocking of
2 aircraft and passenger supplies, or loading or unloading of
3 cargo and passenger baggage.

4 "Quiet technology" means the use of design, technologies,
5 and structure modifications to rotocraft to reduce or redirect
6 the sound generated by the engine exhaust, tail, or the main
7 rotor."

8 SECTION 2. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 3. This Act shall take effect on January 1, 2020,
11 and shall be repealed on December 31, 2024; provided that
12 section 237-24.9(b), Hawaii Revised Statutes, shall be reenacted
13 in the form in which it read on the day prior to the effective
14 date of this Act.



Report Title:

General Excise Tax; Helicopters; Service and Maintenance Facility; Quiet Technology; Exemption; Sunset

Description:

Establishes a five-year general excise tax exemption starting January 1, 2020, for amounts received from the servicing and maintenance of helicopters in an aircraft service and maintenance facility or from the construction of a facility that services and maintains helicopters; provided that 75% of the helicopters serviced and maintained annually in the facility are equipped with quiet technology. Sunsets 12/31/2024. (HB421 HD1)

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