

STAND. COM. REP. NO.

12

Honolulu, Hawaii

FEB 02 , 2023

RE: H.B. No. 74  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Transportation, to which was referred H.B. No. 74 entitled:

"A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX,"

begs leave to report as follows:

The purpose of this measure is to establish a five-year general excise tax exemption beginning January 1, 2024, for amounts received from:

- (1) The servicing and maintenance of helicopters in an aircraft service and maintenance facility; or
- (2) The construction of a facility that services and maintains helicopters where at least seventy-five percent of the helicopters serviced and maintained annually in the facility are equipped with quiet technology.

Your Committee received testimony in support of this measure from the Department of Transportation and Blue Hawaiian. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that modernizing the application of the existing law in certain circumstances to helicopters equipped with

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quiet technology features will incentivize the quieter operation of aircraft in and around our communities.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

Should your Committee on Economic Development hear this measure, your Committee requests that it consider including prop planes and single-engine jets in the definition of "aircraft".

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 74, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 74, H.D. 1, and be referred to your Committee on Economic Development.

Respectfully submitted on  
behalf of the members of the  
Committee on Transportation,



CHRIS TODD, Chair



