STAND. COM. REP. NO.

Honolulu, Hawaii FEB 02 <sup>, 2023</sup>

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:

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- 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

## State of Hawaii House of Representatives The Thirty-second Legislature

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## **Record of Votes of the Committee on Transportation**

Bill/Resolution No.:	Committee	Referral: TD	NECP, FIN	1311	2023	
The committee is reconsidering its previous decision on the measure.						
The recommendation is to:  Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)						
TRN Meml	bers	Ayes	Ayes (WR)	Nays	Excused	
1. TODD, Chris (C)						
2. KILA, Darius K. (VC)						
3. AIU, Micah P.K.			ана <u>Сабалария и странит</u> и на база 	:		
		J.		n de la secola Antéria sales		
4. HASHIMOTO, Troy N	[.					
				<u>.</u>		
5. KITAGAWA, Lisa						
6. MARTEN, Lisa		/				
7. ONISHI, Richard H.K.		/				
8. MATSUMOTO, Laure	n	<u>a in a construction de la construct</u>				
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TOTAL (	8)	Ċ	0	Ð	D	
The recommendation is:	Adopted If joint referral,					
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						