

Honolulu, Hawaii

March 3, 2006

RE: H.B. No. 2877
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2877 entitled:

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

begs leave to report as follows:

The purpose of this bill is to provide assistance to the people of Hawaii by suspending the collection of the general excise tax on motor vehicle gasoline for two years.

The Hawaii Transportation Association supported this bill. The Oahu Transit Services, Inc., and Aloha Petroleum supported the intent of this measure. The Department of Taxation, Department of Business, Economic Development, and Tourism, and the Tax Foundation of Hawaii provided comments.

Your Committee has amended this bill by changing the effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2877, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2877, H.D. 1.



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



DWIGHT TAKAMINE, Chair



