

# HOUSE OF REPRESENTATIVES

AMENDMENT TO: H.B. No. 1757, H.D. 1, S.D. 3, C.D. 1

OFFERED BY: Representative Joseph Souki *Jouki*

DATE: May 1, 2007

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SECTION 1. House Bill No. 1757, H.D. 1, S.D. 3, C.D. 1 (RELATING TO TRANSPORTATION), is amended by amending section 2 to read as follows:

"SECTION 2. Chapter 237, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§237- Exemption of sale of alcohol fuels. (a) There shall be exempted from and excluded from the measure of the taxes imposed by this chapter all of the gross income or gross proceeds arising from the sale of alcohol fuels, as defined in subsection (b), for consumption or use by the purchaser and not for resale.

(b) For the purposes of this section, "alcohol fuels" means neat biomass-derived alcohol liquid fuel or a petroleum-derived fuel and alcohol liquid fuel mixture consisting of at least ten volume per cent denatured biomass-derived alcohol commercially usable as a fuel to power aircraft, seacraft, spacecraft, motor vehicles, or other motorized vehicles.

(c) A producer, wholesaler, or retailer of alcohol fuels shall pass any savings realized from this exemption on to the end consumer. Any producer or wholesaler who violates this subsection shall be subject to a fine of \$100,000. Notwithstanding any law to the contrary, a violation of this subsection shall be deemed an unfair or deceptive act or practice in violation of and enforceable under chapter 480.

(d) The director of taxation shall adopt rules pursuant to chapter 91 necessary to administer this section."

✓ CARRIED	FAILED TO CARRY	WITHDRAWN
<i>Joseph Souki</i>		
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