
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Hawaii depends heavily on air service for
2 transportation, medical supplies and other medical needs, and
3 commercial goods. As an island-state, residents depend on air
4 service for the transport of passengers, goods, and services
5 among islands. Inter-island travel is a key component of the
6 Hawaii's tourism industry and stimulates tourism, the largest
7 single contributor to the State's gross domestic product.

8 According to the Hawaii tourism authority, visitors to the
9 State spend in excess of \$1,200,000,000 per month. The
10 legislature finds that there is a proliferation of helicopter
11 use in the State for travel, recreational, and medical needs.
12 However, despite the significant function of helicopters to air
13 travel in the State, only traditional aircraft are afforded
14 certain tax exemptions. Due to changes in the aviation industry
15 and increased travel options, taxes levied on aviation
16 businesses must be updated to promote inter-island travel



H.B. NO. 2007

1 options for visitors and residents, and for the interests of the
2 State.

3 The purpose of this Act is to create equity among the types
4 of aircraft in the State by exempting the amounts received for
5 the servicing and maintenance of helicopters and the
6 construction of helicopter service and maintenance facilities,
7 from the general excise tax.

8 SECTION 2. Section 237-24.9, Hawaii Revised Statutes, is
9 amended by amending the definition of "aircraft" in subsection
10 (b) to read as follows:

11 "'Aircraft" means any craft or artificial contrivance of
12 whatever description engaged in intrastate, interstate, or
13 international scheduled commercial use as defined in chapter
14 263, that operates with two or more jet engines[-], or a
15 helicopter."

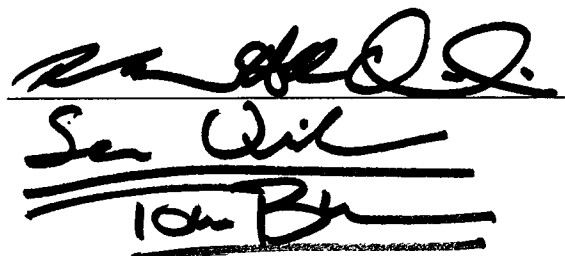
16 SECTION 3. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 4. This Act, upon its approval, shall apply to
19 taxable years beginning after December 31, 2018.

20




INTRODUCED BY:



HB HMS 2018-1154



H.B. NO. 2007

A handwritten signature in black ink, appearing to be "H. B. 2007" with a stylized flourish at the end.

JAN 19 2018



H.B. NO. 2007

Report Title:

General Excise Tax; Exemption; Helicopter Servicing and Maintenance Facility

Description:

Amends the definition of "aircraft" under section 237-24.9, Hawaii Revised Statutes, to include helicopters. Exempts amounts received for the servicing and maintenance of helicopters and the construction of helicopter service and maintenance facilities, from the general excise tax.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

