
A BILL FOR AN ACT

RELATING TO THE BARREL TAX

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

1 SECTION 1. Section 243-3.5, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:
3 "(a) In addition to any other taxes provided by law,
4 subject to the exemptions set forth in section 243-7, there is
5 hereby imposed a state environmental response, energy, and food
6 security tax on each barrel or fractional part of a barrel of
7 petroleum product sold by a distributor to any retail dealer or
8 end user of petroleum product, other than a refiner. The tax
9 shall be [~~\$1.05~~] \$0.20 on each barrel or fractional part of a
10 barrel of petroleum product that is not aviation fuel; provided
11 that of the tax collected pursuant to this subsection:
12 (1) 5 cents of the tax on each barrel shall be deposited
13 into the environmental response revolving fund
14 established under section 128D-2;
15 (2) 4 cents of the tax on each barrel shall be deposited
16 into the energy security special fund established
17 under section 201-12.8;



1 (3) 8 cents of the tax on each barrel shall be deposited
2 into the energy systems development special fund
3 established under section 304A-2169.1; and

4 ~~(4)~~ 3 cents of the tax on each barrel shall be
5 deposited into the electric vehicle charging system
6 subaccount established pursuant to section 269-33(e).

7 The tax imposed by this subsection shall be paid by the
8 distributor of the petroleum product."

9 SECTION 2. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 3. This Act shall take effect on July 1, 2022.

12

INTRODUCED BY: Val Okun
JAN 25 2022

H.B. NO. 2322

Report Title:

Barrel Tax;

Description:

Lowers the state barrel tax from \$1.05 to \$.20

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