

JAN 17 2025

A BILL FOR AN ACT

RELATING TO MOTOR VEHICLES.

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

1 SECTION 1. The legislature finds that, for some residents,
2 the moneys owed for motor vehicle taxes and fees that have been
3 unpaid for several years may exceed the value of the motor
4 vehicle, making it difficult to renew the motor vehicle's
5 registration or transfer its title. These affected residents
6 often decide to instead abandon their motor vehicles, creating
7 environmental waste and further straining Hawaii's limited waste
8 disposal capacity.

9 The legislature believes that under certain circumstances,
10 simply forgiving a portion of the unpaid taxes, fees, and
11 accompanying penalties would be more financially and
12 environmentally beneficial for the State and counties than
13 having these motor vehicles abandoned.

14 Accordingly, the purpose of this Act is to limit the
15 required payment of certain unpaid motor vehicle taxes and fees
16 and accompanying financial penalties to those incurred during
17 the most recent five consecutive years of delinquency.



1 SECTION 2. Section 249-5.5, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) All vehicles taxable under sections 249-1, 249-2,
4 249-4 and 249-6 to 249-13, which are stored so that they are not
5 used for transportation, or for the other purposes covered by
6 section 249-2, shall be exempt from the tax for the period of
7 storage; provided that the owner of each vehicle shall first
8 present to the director of finance a signed statement of the
9 fact of the storage, together with other relevant facts as may
10 be required by the director of finance and shall surrender the
11 last issued certificate of registration, license plates, and
12 emblem for the vehicle. If the affidavit, certificate of
13 registration, license plates, and emblem are presented to the
14 director of finance after the expiration of the vehicle's
15 registration period, then the unpaid tax for each month the
16 license plates could have been validated with an emblem plus the
17 fee for the currently issued license plates and emblem shall be
18 paid in full upon presenting the affidavit[-]; provided that the
19 moneys owed shall not exceed the current license plate and
20 emblem fees plus any unpaid taxes due during the most recent
21 five consecutive years that the license plate could have been



1 validated with an emblem, regardless of the overall duration of
2 delinquency."

3 SECTION 3. Section 249-10, Hawaii Revised Statutes, is
4 amended by amending subsection (a) to read as follows:

5 "(a) Any tax imposed by sections 249-1 to 249-13 for any
6 year and not paid when due, shall become delinquent and a
7 penalty shall be added to, and become part of, the delinquent
8 tax[-]; provided that the delinquent tax due shall not exceed
9 the current tax due plus any unpaid taxes due and penalties
10 incurred during the most recent five consecutive years of
11 delinquency, regardless of the overall duration of delinquency.
12 The amount of the delinquency penalty shall be established by
13 the county's legislative body. If the date that the tax is due
14 is a Saturday, Sunday, or legal holiday, the tax shall become
15 delinquent at the end of the next day that is not a Saturday,
16 Sunday, or legal holiday. The director of finance may require
17 the payment of any delinquent tax and penalty as a condition
18 precedent to the registration, renewal, or transfer of ownership
19 of ~~such~~ the vehicle. Any vehicle not having the number plates
20 required by sections 249-1 to 249-13, or any vehicle upon which
21 taxes are delinquent as provided in this section, may be seized,



1 wherever found, by the director of finance or by any police
2 officer, and held for a period of ten days, during which time
3 the vehicle shall be subject to redemption by its owner by
4 payment of the taxes due, together with the delinquent penalties
5 and the cost of storage and other charges incident to the
6 seizure of the vehicle. The director of finance, chief of
7 police, or any police officer shall be deemed to have seized and
8 taken possession of any vehicle, after having securely sealed it
9 where located and posted a notice upon the vehicle, setting
10 forth the fact that it has been seized for taxes and warning all
11 other persons from molesting it under any penalty provided by
12 section 249-11."

13 SECTION 4. Section 249-34, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "**§249-34 Delinquent penalties; seizure and sale for tax**
16 **and fee.** Any tax or fee imposed under sections 249-31 and 249-
17 33 for any year and not paid when due shall be subject to the
18 penalties provided in section 249-10[-]; provided that any
19 moneys due shall not exceed the current tax or fee, or both, due
20 plus any unpaid taxes or fees, or both, due and penalties



1 incurred during the most recent five consecutive years of
2 delinquency, regardless of the overall duration of delinquency."

3 SECTION 5. This Act does not affect rights and duties that
4 matured, penalties that were incurred, and proceedings that were
5 begun before its effective date.

6 SECTION 6. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 7. This Act shall take effect upon its approval.

9

INTRODUCED BY: _____



S.B. NO. 1097

Report Title:

Motor Vehicles; Registration; Taxes; Penalties; Delinquency

Description:

Limits the required payment of certain unpaid motor vehicle taxes and fees and accompanying financial penalties to those incurred during the most recent 5 consecutive years of delinquency.

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

