

ACT 69

S. B. NO. 457

A Bill for an Act Relating to the Taxation of Liquid Fuel for Non-Highway Uses.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 243-4(a), Hawaii Revised Statutes, is amended to read as follows:

“Sec. 243-4 License taxes. (a) Every distributor shall, in addition to any other taxes provided by law, pay a license tax to the department of taxation for each gallon of liquid fuel refined, manufactured, produced, or compounded by the distributor and sold or used by him in the State or imported by the distributor, or acquired by him from persons not licensed distributors, and sold or used by him in the State. Any person who sells or uses any liquid fuel knowing that the distributor from whom it was originally purchased has not paid and is not paying the tax thereon shall pay such tax as would have applied to such sale or use by the distributor himself. The rates of the tax hereby imposed are as follows:

- (1) For each gallon of diesel oil, 1 cent.

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- (2) For each gallon of gasoline or other aviation fuel sold for use in or used for airplanes, 1 cent.
- (3) For each gallon of liquid fuel other than fuel mentioned in items (1) and (2), sold or used in the city and county of Honolulu, or in any county for ultimate use in the city and county of Honolulu, 5 cents State tax, and in addition thereto such amount, to be known as the 'city and county of Honolulu fuel tax', as shall be levied pursuant to section 243-5.
- (4) For each gallon of liquid fuel other than fuel mentioned in items (1) and (2), sold or used in the county of Hawaii, or in any county for ultimate use in the county of Hawaii, 8 cents State tax, of which tax three-eighths, or 3 cents, shall be known as the 'county of Hawaii extra State tax', and in addition thereto such amount, to be known as the 'county of Hawaii fuel tax', as shall be levied pursuant to section 243-5.
- (5) For each gallon of liquid fuel other than fuel mentioned in items (1) and (2), sold or used in the county of Maui, or in any county for ultimate use in the county of Maui, 5 cents State tax, and in addition thereto such amount, to be known as the 'county of Maui fuel tax', as shall be levied pursuant to section 243-5.
- (6) For each gallon of liquid fuel other than fuel mentioned in items (1) and (2), sold or used in the county of Kauai, or in any county for ultimate use in the county of Kauai, 5 cents State tax, and in addition thereto such amount, to be known as the 'county of Kauai fuel tax', as shall be levied pursuant to section 243-5.

If it is shown to the satisfaction of the department, based upon proper records and from such other evidence as the department may require, that liquid fuel other than fuel mentioned in items (1) and (2) is used for agricultural equipment that does not operate upon the public highways of the State, the user thereof may obtain a refund of all taxes thereon imposed by this section in excess of 1 cent per gallon. The department shall prescribe rules and regulations to administer for such refunds."

SECTION 2. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material, or the underscoring.*

SECTION 3. This Act shall take effect upon its approval.
(Approved June 12, 1970.)

* Edited accordingly