

ACT 195

S.B. NO. 246

A Bill for an Act Relating to Motor Vehicle Taxes.

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

SECTION 1. Chapter 249, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"Sec. 249- State motor vehicle weight tax, exemptions. All motor vehicles in the State, in addition to all other fees and taxes levied by this chapter shall be subject to an annual state motor vehicle weight tax. The tax shall be levied by the county director of finance at the rate of 0.45 cents a pound according to the net weight of each motor vehicle as "net weight" is defined in section 249-1; provided that in no case shall the tax assessed and collected be less than \$2.

The tax shall become due and payable on January 1 and shall be paid before April 1 in each year. The fee shall be paid by the owner of each motor vehicle to the director of finance of the county in which the vehicle is registered.

By the fifteenth day of the month following the month in which taxes under this section are collected, the director of finance of each county shall transmit the taxes collected to the state director of finance for deposit into the state highway fund.

All new motor vehicles, otherwise taxable under this section, in stock for purposes of sale, all publicly owned motor vehicles, and all motor vehicles and motorcycles owned by police officers of the State or any county and actually used by them in their travel on official business, shall be exempt from this tax. Passenger cars owned by persons who, by reason of their service disability, have been furnished such cars by the Federal government and have been so certified by the Veterans Administration, shall be likewise exempt from this tax, except that this exemption shall be limited to no more than one motor vehicle of any disabled veteran. Motor vehicles with a net vehicle weight of 6,000 pounds and over shall be likewise exempted from this tax."

SECTION 2. Section 243-4, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(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 tax as would have applied to such sale or use by the distributor himself. The rates of tax hereby imposed are as follows:

- (1) For each gallon of diesel oil, 1 cent.
- (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 8½ 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 8½ cents 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, 8½ 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

mate use in the county of Kauai, 8½ 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.

(b) Every distributor of diesel oil shall, in addition to the tax required by subsection (a) of this section, pay a license tax to the department for each gallon of such diesel oil sold or used by him for operating a motor vehicle or motor vehicles upon public highways of the State. The rates of the additional tax hereby imposed are as follows:

- (1) For each gallon of diesel oil so sold in the city and county of Honolulu, or in any other county for ultimate use in the city and county of Honolulu, or used in the city and county of Honolulu, 7½ 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.
- (2) For each gallon of diesel oil so sold in the county of Hawaii, or in any other county for ultimate use in the county of Hawaii, or used in the county of Hawaii, 7½ cents 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.
- (3) For each gallon of diesel oil so sold in the county of Maui, or in any other county for ultimate use in the county of Maui, or used in the county of Maui, 7½ 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.
- (4) For each gallon of diesel oil so sold in the county of Kauai, or in any other county for ultimate use in the county of Kauai, or used in the county of Kauai, 7½ 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 any user of diesel oil furnishes a certificate, in such form as the department shall prescribe, to the distributor or the distributor who uses diesel oil signs such certificate, certifying that the diesel oil is for use in operating a motor vehicle or motor vehicles in areas other than upon the public highways of the State, the tax as provided in paragraphs (1) to (4) of this subsection shall not be applicable. In the event a certificate is not or cannot be furnished and the diesel oil is in fact for use for operating a motor vehicle or motor vehicles in areas other than upon public highways of the State, the user thereof may obtain a refund of all taxes thereon imposed by the foregoing paragraphs. The department shall prescribe rules and regulations to administer the refunding of such taxes."

SECTION 3. Section 249- of Section 3, Act 188, Session Laws of Hawaii 1976, is repealed.

SECTION 4. 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 5. This Act shall take effect on July 1, 1977; provided that section 1 shall take effect on January 1, 1978.

(Approved June 8, 1977.)

*Edited accordingly.