

A Bill for an Act Relating to Gasohol.

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

SECTION 1. The purpose of this Act is to provide incentives to encourage the production and purchase of gasohol.

SECTION 2. Section 237-27.1, Hawaii Revised Statutes, is amended to read as follows:

“§237-27.1 Exemption of sale of gasohol. (a) There shall be exempted from and excluded from the measure of the taxes imposed by this chapter all of the gross proceeds arising from the sale of gasohol for consumption or use by the purchaser and not for resale from July 1, 1980 to July 1, 1985. Starting July 1, 1985, the exemption is extended to June 30, 1992 exclusively for gasohol which is derived from alcohol produced within the State from biomass.

(b) As used in this section “gasohol” means a gasoline and alcohol liquid fuel mixture consisting of at least ten per cent ethanol (biomass derived) commercially usable as a fuel to power automobiles or other motorized vehicles.

(c) The director of taxation shall annually submit a written report to the governor and legislature prior to the regular session of the legislature indicating a comparison of the number of gallons and average price per gallon of gasohol and gasoline sold in the State.

(d) The director of taxation shall adopt rules pursuant to chapter 91 necessary to administer this section.”

SECTION 3. Statutory material to be repealed is bracketed. New material is underscored.*

SECTION 4. This Act shall take effect upon its approval.

(Approved June 17, 1981.)

*The text has been edited pursuant to HRS §23G-16.5, authorizing omission of the brackets, bracketed material, and underscoring.