

ACT 151

S.B. NO. 535

A Bill for an Act Relating to Motor Vehicles.

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

SECTION 1. Section 249-10, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Any tax imposed by sections 249-1 to 249-13 for any year and not paid [before April 1 of that year, or at any subsequent date] when due, shall become delinquent and a penalty shall be added to, and become part of, the delinquent tax. The amount of the delinquency penalty shall be established by the county’s legislative body. The director of finance may require the payment of any delinquent tax and penalty as a condition precedent to the registration, renewal, or transfer of ownership of such vehicle. Any vehicle not having the number plates required by sections 249-1 to 249-13, or any vehicle upon which taxes are delinquent as provided in this section, may be seized, wherever found, by the director of finance or by any police officer, and held for a period of ten days, during which time the vehicle shall be subject to redemption by its owner by payment of the taxes due, together with the delinquent penalties and the cost of storage and other charges incident to the seizure of the vehicle. The director of finance, chief of police, or any police officer shall be deemed to have seized and taken possession of any vehicle, after having securely sealed it where located and posted a notice upon the vehicle, setting forth the fact that it has been seized for taxes and warning all other persons from molesting it under penalty provided by section 249-11.”

SECTION 2. Section 286-46, Hawaii Revised Statutes, is amended to read as follows:

“**§286-46 Tax lien and encumbrance record.** (a) The director of finance shall keep a book or record to be known as the “tax lien and encumbrance record” in which the following information shall be entered:

- (1) Notices of liens for internal revenue taxes payable to the United States and certificates of release thereof;
- (2) Notices of liens or taxes payable to the State and certificates of release thereof;
- (3) Notices of seizure in accordance with law of any registered motor vehicle upon any writ of attachment, execution, or other process issued under authority of law;
- (4) Notices of restraining order or other order affecting the registration of any registered motor vehicle;
- (5) Notice of any proceeding or action affecting the title of a registered motor vehicle or the interest of the owner or legal owner thereof; and

(6) Notice of release of any of the foregoing.

[The] (b) With the exception of delinquent taxes and penalties imposed by section 249-10, the record shall show the year, month, day, hour, and minute at which the notice has been filed with the director of finance, shall show the nature and kind of lien or encumbrance claimed, the amount of tax or other claim, with interest, penalties, and costs, and shall identify the registered motor vehicles affected by the lien or encumbrance, and shall contain such further information as the director of finance may require. The record shall be a public record and may be arranged in such manner as the director of finance determines.

The interest of the owner or the legal owner in the motor vehicle shall not be deemed to be affected until the notice referred to in [items] paragraphs (1) to (5) has been filed with the director of finance in such form as the director of finance shall prescribe for entry in the tax lien and encumbrance record[.]; provided the director of finance may require the payment of delinquent taxes and penalties as a condition precedent to the vehicle's renewal, registration, or transfer of ownership. The director of finance shall charge a fee of 50 cents for each entry made in the tax lien and encumbrance record, which [fee] shall be deposited in the general fund; provided [however,] that the fee shall not be charged for entries filed by or on behalf of the United States of America or its wholly owned agencies or instrumentalities, the State of Hawaii, or [a political subdivision thereof,] any county, or wholly owned agencies or instrumentalities of the State or [of a political subdivision of the State.] any county.

Nothing [herein] in this section shall be deemed to alter or amend any statute relating to tax liens or the enforcement thereof.”

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

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

(Approved May 21, 1993.)