

A Bill for an Act Relating to Foreign-Trade Zones.

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

SECTION 1. Section 212-8, Hawaii Revised Statutes, is amended to read as follows:

“**§212-8 Exemption from taxes.** Notwithstanding any law to the contrary, sales of all products which are categorized as privileged foreign merchandise, [privileged domestic merchandise,] nonprivileged foreign merchandise, [nonprivileged] domestic merchandise, or zone-restricted merchandise, and which are admitted into a [foreign trade] foreign-trade zone, as more specifically set forth in the Act of Congress, and any rules and regulations promulgated thereunder, made directly to any common carrier in interstate or foreign commerce, or both, whether ocean-going or air, for consumption out-of-state by the crew or passengers on the shipper’s vessels or airplanes, or for use out-of-state by the vessels or airplanes, shall be exempt from those taxes imposed under chapters 237, 238, 243, 244D, and 245.”

SECTION 2. Section 212-9, Hawaii Revised Statutes, is amended to read as follows:

“**§212-9 Special fund.** There is established in the state treasury a fund to be known as the [foreign trade] foreign-trade zones special fund. All fees or other moneys collected under this chapter shall be deposited in this fund. All moneys in the fund are hereby appropriated for the purposes of and shall be expended by the public corporation for the operation, capital improvement, and maintenance of the zone.”

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 Statutory material to be repealed is bracketed.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 25, 1995.)