

ACT 208

S.B. NO. 3015

A Bill for an Act Relating to the General Excise Tax Exemption for Aircraft Service and Maintenance Facilities.

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

SECTION 1. Section 237-24.9, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) As used in this section:

“Aircraft” means any craft or artificial contrivance of whatever description engaged in intrastate, interstate, or international scheduled commercial use as defined in chapter 263, that operates with two or more jet engines.

“Aircraft service and maintenance” [includes] means all scheduled and unscheduled tasks[, inspections, modifications,] performed within an aircraft service and maintenance facility for the inspection, modification, maintenance, and repair of aircraft and related components[,] including engines, hydraulic and electrical systems, and all other components which are an integral part of an aircraft.

“Aircraft service and maintenance facility” means a facility for aircraft service and maintenance that is not less than [eighty] thirty thousand square feet in area, and which may include ancillary space which is integral to the facility, such as parts and inventory warehouse space, tool rooms, and related administrative and employee space.

“Construction of an aircraft service and maintenance facility” [includes] means all design, engineering, labor, and material costs associated with the construction of facilities the principle purpose of which is the provision of facilities for aircraft service and maintenance.

“Maintenance” means the upkeep of aircraft engines, hydraulic and electrical systems, and all other components which are an integral part of an aircraft, but does not include refueling, janitorial services or cleaning, restocking of aircraft and passenger supplies, or loading or unloading of cargo and passenger baggage.”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval and shall apply to taxable periods beginning after June 30, 1997.

(Approved July 17, 1998.)