
A BILL FOR AN ACT

RELATING TO TAXATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 39-94, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§39-94 Arrangement of statements and schedules and forms;**
4 **incorporation.** In preparing the statements and supporting
5 schedules required by this part, the director of finance may
6 arrange, group, and set forth [~~such~~] the information and figures
7 in [~~such~~] a manner as the director deems necessary or advisable.
8 [~~Such~~] The information and figures need not be set out or
9 arranged in the same order as is set forth in this part, so long
10 as the information and figures required by this part are set
11 forth.

12 All findings certified to in accordance with this part
13 shall be deemed to be incorporated into subsequent statements
14 and supporting schedules to the extent relevant thereto. [~~Such~~]
15 The findings need not be made again in any subsequent statement
16 or supporting schedule, nor need the legal and financial basis
17 for [~~such~~] the findings be set forth again.



1 The state highway system established in part III of chapter
2 264 shall be deemed to be a public system that produces revenues
3 and user tax receipts. All liquid fuel taxes as defined in
4 section 243-1, other than taxes on aviation fuel as defined in
5 that section, and all vehicle [~~weight~~] ad valorem taxes as
6 defined in section 249-33 [~~which~~] that are paid into the state
7 highway fund created by section 248-8 and [~~which~~] that are not
8 required by sections 243-6 and 248-9 to be paid to the counties
9 shall be deemed to be user taxes derived in the utilization of
10 the functions and services furnished by the state highway
11 system.

12 Amounts received from the federal government for the
13 payment or reimbursement of costs of operation, maintenance, and
14 repair of a public undertaking, improvement, or system or for
15 the payment of the principal and interest of bonds issued for
16 [~~such~~] the public undertaking, improvement, or system, and for
17 the payment or reimbursement of costs of administering,
18 operating, and maintaining a loan program or for the payment of
19 subsidies for a loan program, may be considered and treated as
20 revenues of such undertaking, improvement, system, or loan
21 program. If [~~such~~] the amounts are deposited in the general



1 fund immediately upon their receipt by the State, [~~such~~] the
2 amounts shall be deducted from the general fund revenues when
3 determining the net general fund revenues for the purposes of
4 this part, to the extent [~~such~~] the amounts are utilized to
5 justify or support a determination that bonds of the State may
6 be excluded when determining the total outstanding indebtedness
7 of the State for the purposes of section 13 of Article VII of
8 the Constitution[~~-~~] of the State of Hawaii.

9 The director of finance may compose and adopt and have
10 printed or otherwise reproduced any forms the director deems
11 will facilitate the preparation and understanding of statements
12 and supporting schedules required by this part.

13 All departments, boards, authorities, and officers of the
14 State shall cooperate with the director of finance to the extent
15 required to enable the director to prepare the statements and
16 supporting schedules required by this part."

17 SECTION 2. Section 249-33, Hawaii Revised Statutes, is
18 amended by amending its title and subsections (a) and (b) to
19 read as follows:

20 "**§249-33 State vehicle [~~weight~~] ad valorem tax,**
21 **exemptions.** (a) All vehicles and motor vehicles in the State



1 as defined in section 249-1, including antique motor vehicles,
2 except as otherwise provided in sections 249-4, 249-5.5, 249-6,
3 and 249-6.5, in addition to all other fees and taxes levied by
4 this chapter, shall be subject to an annual state vehicle
5 ~~[weight]~~ ad valorem tax. The tax shall be levied by the county
6 director of finance ~~[at the rate of 1.75 cents a pound according~~
7 ~~to the net weight of each vehicle as the "net weight" is defined~~
8 ~~in section 249-1 up to and including four thousand pounds net~~
9 ~~weight; vehicles over four thousand pounds and up to and~~
10 ~~including seven thousand pounds net weight shall be taxed at the~~
11 ~~rate of 2.00 cents a pound; vehicles over seven thousand pounds~~
12 ~~and up to and including ten thousand pounds net weight shall be~~
13 ~~taxed at the rate of 2.25 cents a pound; vehicles over ten~~
14 ~~thousand pounds net weight shall be taxed at a flat rate of~~
15 ~~\$300.]~~ at the rate of \$ _____ per \$1,000 of the assessed
16 value of the vehicle.

17 For the purposes of this subsection, "assessed value" means
18 thirty per cent of the manufacturer's suggested retail price,
19 reduced for depreciation over a ten-year period; provided that
20 in no event shall the assessed value of a vehicle be less than
21 \$100.



1 (b) The tax shall become due and payable in each year
2 together with all other taxes and fees levied by this chapter on
3 a staggered basis as established by each county as authorized by
4 section 286-51, the state vehicle [~~weight~~] ad valorem tax shall
5 likewise be staggered so that the state vehicle [~~weight~~] ad
6 valorem tax is collected together with the county fee. The
7 state vehicle [~~weight~~] ad valorem tax shall be deemed delinquent
8 if not paid with the county registration fee. The tax shall be
9 paid by the owner of each vehicle to the director of finance of
10 the county in which the vehicle is registered and shall be
11 collected by the director of finance of such county together
12 with all other fees and taxes levied by this chapter from the
13 owner of each vehicle and motor vehicle registered in the
14 county.

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

20 SECTION 3. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 4. This Act shall take effect on July 1, 2018.

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INTRODUCED BY:

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H.B. NO. 1587

Report Title:

State Vehicle Ad Valorem Tax

Description:

Replaces the state vehicle weight tax with a tax based on the assessed value of a vehicle.

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