
A BILL FOR AN ACT

RELATING TO TRANSPORTATION.

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

1 SECTION 1. Section 248-2.6, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "~~§~~**248-2.6**" **County surcharge on state tax; disposition**
4 **of proceeds.** (a) If adopted by county ordinance, all county
5 surcharges on state tax collected by the director of taxation
6 shall be paid into the state treasury quarterly, within ten
7 working days after collection, and shall be placed by the
8 director of finance in special accounts. Out of the revenues
9 generated by county surcharges on state tax paid into each
10 respective state treasury special account, the director of
11 finance shall deduct [~~ten~~] two per cent of the gross proceeds of
12 a respective county's surcharge on state tax to reimburse the
13 State for the costs of assessment, collection, and disposition
14 of the county surcharge on state tax incurred by the State.
15 Amounts retained shall be general fund realizations of the
16 State.

17 (b) The amounts deducted for costs of assessment,
18 collection, and disposition of county surcharges on state tax



1 shall be withheld from payment to the counties by the State out
2 of the county surcharges on state tax collected for the current
3 calendar year.

4 (c) For the purpose of this section, the costs of
5 assessment, collection, and disposition of the county surcharges
6 on state tax shall include any and all costs, direct or
7 indirect, that are deemed necessary and proper to effectively
8 administer this section and sections 237-8.6 and 238-2.6.

9 (d) After the deduction and withholding of the costs under
10 subsections (a) and (b), the director of finance shall pay the
11 remaining balance on [a] quarterly basis to the director of
12 finance of each county that has adopted a county surcharge on
13 state tax under section 46-16.8. The quarterly payments shall
14 be made after the county surcharges on state tax have been paid
15 into the state treasury special accounts or after the
16 disposition of any tax appeal, as the case may be. All county
17 surcharges on state tax collected shall be distributed by the
18 director of finance to the county in which the county surcharge
19 on state tax is generated and shall be a general fund
20 realization of the county, to be used for the purposes specified
21 in section 46-16.8 by each of the counties.



1 (e) The executive director of the Honolulu authority for
2 rapid transportation shall submit an annual report to the
3 legislature once reimbursement of all funds has been made to the
4 State under subsection (a). The report shall include, but not
5 be limited to:

6 (1) The amount of county surcharge funds received by the
7 authority pursuant to section 46-16.8; and

8 (2) A detailed accounting of the usage of county surcharge
9 funds by the authority."

10 SECTION 2. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 3. This Act shall take effect on July 1, 2014.

13

INTRODUCED BY: 

JAN 23 2014



H.B. NO. 2545

Report Title:

County Surcharge on State Tax

Description:

Changes the State's automatic deduction of the gross proceeds of a county's surcharge on state tax for mass transit to two per cent to reimburse the State for costs associated with handling of the county surcharge on state tax. Requires an annual report of the usage of surcharge amounts. Effective July 1, 2014.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

