

STATE	TAX OR FEE	RATE	STATUTORY OR REGULATORY BASIS	EXEMPTION, CREDIT OR REFUND STATUS	OTHER INFORMATION
<u>HAWAII</u>	Sales Tax			<ul style="list-style-type: none"> <li>• There is <u>no sales</u> tax on fuel. However, there is a gross receipts or general excise tax imposed on businesses, including retailing. The rate for retailing is 4%. Businesses are not required to pass this cost to the customers, but may “opt” to do so</li> <li>• United States Government is exempt from the general excise tax <ul style="list-style-type: none"> <li>- Includes National Guard</li> </ul> </li> </ul> <p>(“Any provision of law to the contrary notwithstanding, there shall be exempted from, and excluded from the measures of, the tax imposed by chapter 237 all sales, and the gross proceeds of all sales, of: (3) Other tangible personal property sold by any person licensed under this chapter to the United States (including any agency, instrumentality...) but the person making such sale shall nevertheless, within the meaning of this chapter, be deemed a licensed seller</p> <p>Haw. Rev. Stat. § 237.25</p>	<ul style="list-style-type: none"> <li>• <a href="#">Tax Facts 96-1, General Excise Vs. Sales Tax</a></li> </ul>

STATE	TAX OR FEE	RATE	STATUTORY OR REGULATORY BASIS	EXEMPTION, CREDIT OR REFUND STATUS	OTHER INFORMATION
<p><b>HAWAII (Continued)</b></p> <p>Tax Information (800) 222-3229</p> <p>Technical Assistance (808) 587-1577</p>	<p>Motor Fuel (License) Tax</p> <p>Gasohol E85</p> <p>(Comprised of state and county taxes)</p>	<p>\$0.248 to \$0.325/gallon</p>	<p>\$0.16 Haw. Rev. Stat. § 243-4</p> <p>+</p> <p>City and County of Honolulu \$0.165/gallon</p> <p>County of Maui \$0.13/gallon</p> <p>County of Hawaii \$0.088/gallon</p> <p>County of Kauai \$0.13/gallon</p> <p>Haw. Rev. Stat. § 243-5</p>	<ul style="list-style-type: none"> <li>DoD, Federal Civilian activities and National Guard are exempt</li> <li>Haw. Rev. Stat. § 243-7 (Title 14) (“Tax does not apply to fuel sold to the government of the United States or any department thereof for official use of the government”) <ul style="list-style-type: none"> <li>Base Exchanges are treated as part of United States when fuel is for their own use</li> </ul> </li> <li><u>Note</u>: The Environmental Response Surcharge is typically bundled into the fuel tax</li> <li><u>Export</u>: Tax does not apply to fuel exported or sold to another licensed distributor; but distributor must report such exports to state</li> </ul> <p>Haw. Rev. Stat. § 243-7</p>	<ul style="list-style-type: none"> <li><a href="#">Hawaii’s Fuel Tax Fact Sheet</a></li> <li><a href="#">Link to Hawaii Revised Statutes, Chapter 243, Fuel Tax Law</a></li> <li><a href="#">Schedule Of Fuel Tax Rates</a></li> <li><u>Tax Imposition</u>: Imposed on distributor</li> <li><u>Fleet Card</u>: Vendors are supposed to exempt tax (USPS reports 2 of every 3 vendors is exempting) <ul style="list-style-type: none"> <li>From <a href="#">Tax Information Release No. 2001-3 (December 11, 2001)</a>: When a federal government agency or employee purchases fuel for official use (with a Fleet Card), the transaction is an exempt sale to the federal government <ul style="list-style-type: none"> <li>The federal government does not have to file for a refund of fuel taxes on exempt sales because the financial institution issuing the Fleet Card or the credit card transaction processor should exclude Hawaii fuel taxes on the billing to the Federal government <ul style="list-style-type: none"> <li>If taxes were passed-on in the billing, the Federal government should request a revised billing that excludes the fuel taxes</li> <li>Because the fuel taxes may be passed-on by the distributor to the gas station, the gas station may claim a credit from the distributor for exempt sales</li> </ul> </li> </ul> </li> </ul> </li> <li>The distributor may file for a refund of the fuel taxes for exempt sales</li> </ul>

<b>STATE</b>	<b>TAX OR FEE</b>	<b>RATE</b>	<b>STATUTORY OR REGULATORY BASIS</b>	<b>EXEMPTION, CREDIT OR REFUND STATUS</b>	<b>OTHER INFORMATION</b>
<p><b>HAWAII (Continued)</b></p> <p>Tax Information (800) 222-3229</p> <p>Technical Assistance (808) 587-1577</p>	<p>Motor Fuel Tax</p> <p><b>CONTINUED</b></p> <p>Gasohol</p> <p>E85</p> <p>(Comprised of state and county taxes)</p> <p>(Retail price includes sales tax (for which the Government is exempt))</p>				<ul style="list-style-type: none"> <li>• <u>Refund</u>: Federal Government agencies line 5 of <a href="#">Form M-36</a> to claim a refund for fuel taxes and environmental response tax paid on purchases of fuel at service stations for official government use <ul style="list-style-type: none"> <li>– According to state tax department, U.S. Government can file for refunds on transactions at retail service stations (see <a href="#">TF 99-01</a>, No. 23)</li> </ul> </li> </ul>

STATE	TAX OR FEE	RATE	STATUTORY OR REGULATORY BASIS	EXEMPTION, CREDIT OR REFUND STATUS	OTHER INFORMATION
<p><b>HAWAII</b> <b>(Continued)</b></p>	<p>Diesel Fuel (License) Tax  (Comprised of state and county taxes)  Note: the Environmental Response Surcharge is typically bundled into the fuel tax</p>	<p>\$0.248 to \$0.325/gallon</p>	<p>\$0.16 Haw. Rev. Stat. § 243-4 + City and County of Honolulu \$.165/gallon  County of Maui \$0.13/gallon  County of Hawaii \$0.088/gallon  County of Kauai \$0.13/gallon Haw. Rev. Stat. § 243-5</p>	<ul style="list-style-type: none"> <li>DoD, Federal Civilian activities and National Guard are exempt Haw. Rev. Stat. § 243-7 (Tax does not apply to fuel sold to the government of the United States or any department thereof for official use of the government") <ul style="list-style-type: none"> <li>Base Exchanges are treated as part of United States when fuel is for their own use</li> </ul> </li> <li><u>Export</u>: tax does not apply to fuel exported or sold to another licensed distributor; but distributor must report such exports to state Haw. Rev. Stat. § 243-7</li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Hawaii's Fuel Tax Fact Sheet</a></li> <li><a href="#">Link to Hawaii Revised Statutes, Chapter 243, Fuel Tax Law</a></li> <li><a href="#">Schedule Of Fuel Tax Rates</a></li> <li><u>Fleet Card</u>: Vendors are supposed to exempt tax (USPS reports 2 of every 3 vendors is exempting) <ul style="list-style-type: none"> <li>From <a href="#">Tax Information Release No. 2001-3 (December 11, 2001)</a>: When a federal government agency or employee purchases fuel for official use (with a Fleet Card), the transaction is an exempt sale to the federal government <ul style="list-style-type: none"> <li>The federal government does not have to file for a refund of fuel taxes on exempt sales because the financial institution issuing the Fleet Card or the credit card transaction processor should exclude Hawaii fuel taxes on the billing to the Federal government <ul style="list-style-type: none"> <li>If taxes were passed-on in the billing, the Federal government should request a revised billing that excludes the fuel taxes</li> <li>Because the fuel taxes may be passed-on by the distributor to the gas station, the gas station may claim a credit from the distributor for exempt sales The distributor may file for a refund of the fuel taxes for exempt sales</li> </ul> </li> </ul> </li> </ul> </li> <li><u>Tax Imposition</u>: Imposed on distributor</li> </ul>

STATE	TAX OR FEE	RATE	STATUTORY OR REGULATORY BASIS	EXEMPTION, CREDIT OR REFUND STATUS	OTHER INFORMATION
<p><b>HAWAII</b> <b>(Continued)</b></p>	<p>B20 (License) Tax (Biodiesel)</p> <p>(Comprised of state and county taxes)</p>	<p>\$0.08/gallon (When used on road)</p> <p>\$0.01/gallon (When used off road)</p> <p>+</p> <p>City and County Taxes</p>	<p>Haw. Rev. Stat. §§ 243-4 + City and County of Honolulu \$.083/gallon</p> <p>County of Maui None (Effective April 1, 2002)</p> <p>County of Hawaii \$.044/gallon</p> <p>County of Kauai \$.065/gallon Haw. Rev. Stat. § 243-5</p>	<ul style="list-style-type: none"> <li>DoD, Federal Civilian activities and National Guard are exempt</li> </ul> <p>Haw. Rev. Stat. § 243-7 (Tax does not apply to fuel sold to the government of the United States or any department thereof for official use of the government”)</p> <ul style="list-style-type: none"> <li>– Base Exchanges are treated as part of United States when fuel is for their own use</li> </ul> <ul style="list-style-type: none"> <li><u>Export</u>: Tax does not apply to fuel exported or sold to another licensed distributor; but distributor must report such exports to state</li> </ul> <p>Haw. Rev. Stat. § 243-7</p>	<ul style="list-style-type: none"> <li><a href="#">Link to Hawaii Revised Statutes, Chapter 243, Fuel Tax Law</a></li> <li><a href="#">Monthly Return of Liquid Fuel Tax and Environmental Response Tax, Form M-20A</a> (combined state/county/city B20 (Biodiesel) rates on second page)</li> <li><u>Tax Imposition</u>: Imposed on distributor</li> </ul>

STATE	TAX OR FEE	RATE	STATUTORY OR REGULATORY BASIS	EXEMPTION, CREDIT OR REFUND STATUS	OTHER INFORMATION
<p><b>HAWAII</b> <b>(Continued)</b></p>	<p>Jet Fuel (License) Tax</p> <p>Includes kerosene based fuels (JP-5, JP-8, Jet A) and naphtha-based fuels (JP-4, Jet B, Jet 50)</p> <p>Aviation Gasoline Tax</p>	<p>\$0.01/gallon</p>	<p>Haw. Rev. Stat. §§ 243-4 and 243-5</p>	<ul style="list-style-type: none"> <li>DoD, Federal Civilian activities and National Guard are exempt</li> </ul> <p>Haw. Rev. Stat. § 243-7 (Tax does not apply to fuel sold to the government of the United States or any department thereof for official use of the government”)</p> <ul style="list-style-type: none"> <li><u>Export</u>: Tax does not apply to fuel exported or sold to another licensed distributor; but distributor must report such exports to state</li> </ul> <p>Haw. Rev. Stat. § 243-7</p>	<ul style="list-style-type: none"> <li><a href="#">Hawaii’s Fuel Tax Fact Sheet</a></li> <li><a href="#">Link to Hawaii Revised Statutes, Chapter 243, Fuel Tax Law</a></li> <li><a href="#">Schedule Of Fuel Tax Rates</a></li> <li><u>Tax Imposition</u>: Imposed on distributor</li> <li><b>Refunds</b>: If FBO cannot back out tax from bill, Government can use <a href="#">Form M-36</a> (Combined Claim For Refund Of Fuel Taxes Liquid Fuel (Gasoline))</li> </ul>

STATE	TAX OR FEE	RATE	STATUTORY OR REGULATORY BASIS	EXEMPTION, CREDIT OR REFUND STATUS	OTHER INFORMATION
<p><b>HAWAII (Continued)</b></p>	<p>Environmental Response Tax</p>	<p>\$0.00119/gal (\$0.05/bbl.)</p>	<p>Haw. Rev. Stat. § 243-3.5</p>	<ul style="list-style-type: none"> <li>• DoD, Federal Civilian activities and National Guard are exempt Haw. Rev. Stat. § 243-7 (Fee does not apply to fuel sold to the government of the United States or any department thereof for official use of the government”) – Base Exchanges are treated as part of United States when fuel is for their own use</li> <li>• Note: This tax is typically bundled into the fuel tax</li> <li>• <u>Export</u>: Tax does not apply to fuel exported or sold to another licensed distributor; but every distributor must report such exports to state Haw. Rev. Stat. § 243-7</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">Hawaii’s Fuel Tax Fact Sheet</a></li> <li>• <a href="#">Link to Hawaii Revised Statutes, Chapter 243, Fuel Tax Law</a></li> <li>• <u>Tax Imposition</u>: Imposed on distributor</li> </ul>