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June 21, 2006

DEPARTMENT OF TAXATION ANNOUNCEMENT NO. 2006-08

RE: Revised Maui County Fuel Tax Rate, Effective July 1, 2006

Maui County Resolution 06-44 ("Resolution 06-44") decreases the Maui County gasoline and diesel fuel tax rate from eighteen (18) cents to sixteen (16) cents per gallon. The decrease in the tax will apply to all sales of gasoline and diesel fuel beginning July 1, 2006 (the decrease applies to stock that was purchased by distributors before July 1, 2006, but sold on or after July 1, 2006). Resolution 06-44 does not change Maui's rates for alternative fuels (i.e., biodiesel, ethanol, methanol, and liquefied petroleum gas). See the attached "Schedule of Fuel Tax Rates (Effective July 1, 2006)" for all counties.

The applicable fuel tax forms are being revised to incorporate the decrease in the Maui County gasoline and diesel fuel tax rate. The revised tax forms will be available shortly at the district offices of the Department of Taxation and will be mailed to distributors.

Forms and other tax information may be downloaded from the Department's website at www.hawaii.gov/tax. If you know which tax form or publication you need, please call the Department's request line at 808-587-7572, or toll-free from the neighbor islands and continental U.S. at 1-800-222-7572. This service is available 24 hours a day, 7 days a week.

KURT KAWAFUCHI
Director of Taxation

HRS Section Explained: HRS Sections 243-4 and 243-5.

Schedule of Fuel Tax Rates
(Effective July 1, 2006)
(Fuel tax rates in cents per gallon)

TYPE OF FUEL	STATE TAX	COUNTY TAX	TOTAL TAX
AVIATION FUEL			
All Counties	1	--	1
DIESEL OIL (OFF HIGHWAY)	1	--	1
DIESEL OIL (ON HIGHWAY)			
City & County of Honolulu	16	16.5	32.5
County of Maui	16	16	32
County of Hawaii	16	8.8	24.8
County of Kauai	16	13	29
GASOLINE & ALL OTHER LIQUID FUEL			
City & County of Honolulu	16	16.5	32.5
County of Maui	16	16	32
County of Hawaii	16	8.8	24.8
County of Kauai	16	13	29
ETHANOL			
City & County of Honolulu	2.4	2.4	4.8
County of Maui	2.4	3.8	6.2
County of Hawaii	2.4	1.3	3.7
County of Kauai	2.4	1.9	4.3
METHANOL			
City & County of Honolulu	1.9	1.8	3.7
County of Maui	1.9	2.9	4.8
County of Hawaii	1.9	1.0	2.9
County of Kauai	1.9	1.4	3.3
BIODIESEL			
City & County of Honolulu	4.0	8.3	12.3
County of Maui	4.0	0	4.0
County of Hawaii	4.0	2.2	6.2
County of Kauai	4.0	0	4.0
LIQUID PETROLEUM GAS			
City & County of Honolulu	5.2	5.4	10.6
County of Maui	5.2	4.3	9.5
County of Hawaii	5.2	2.9	8.1
County of Kauai	5.2	4.3	9.5
ENVIRONMENTAL RESPONSE TAX (per barrel)			
City & County of Honolulu	5	--	5
County of Maui	5	--	5
County of Hawaii	5	--	5
County of Kauai	5	--	5