

**DUAL RATE FORM RV-3
INSTRUCTIONS
(REV. 2013)**

**HOW TO COMPLETE YOUR ANNUAL
RENTAL MOTOR VEHICLE AND TOUR VEHICLE
SURCHARGE TAX RETURN (DUAL RATE FORM RV-3)**

CHANGES TO NOTE

Act 104, Session Laws of Hawaii 2011, increased the motor vehicle surcharge tax rate to \$7.50 per day effective July 1, 2011. After June 30, 2012, the rate reverted back to \$3 per day.

INTRODUCTION

The rental motor vehicle and tour vehicle surcharge tax (RV tax) contains two separate taxes with different tax rates. The rental motor vehicle surcharge tax is levied at the rate of \$3 per day or a portion of a day on the lessor of any rental motor vehicle. The tour vehicle surcharge tax is imposed on tour vehicle operators for use of a vehicle on a monthly basis, or a portion of a month at the following rates:

- \$65 - Over 25 passenger tour vehicle; and
- \$15 - 8 to 25 passenger tour vehicle.

RV tax returns (Form RV-2) are filed monthly, quarterly, or semiannual basis depending on the amount of a person's tax liability. An annual return and reconciliation (Dual Rate Form RV-3) summarizing activity for the past year also must be filed. **Dual Rate Form RV-3 is due on or before the twentieth day of the fourth month following the close of the taxable year.**

Taxpayers whose liability for the RV tax exceeds \$100,000 per year are required to pay the tax by Electronic Funds Transfer (EFT).

These instructions will assist you in filling out your Annual Rental Motor Vehicle and Tour Vehicle Surcharge Tax Return (Dual Rate Form RV-3) correctly.

The RV tax annual return and reconciliation (Dual Rate Form RV-3), is used to summarize your rental motor vehicle and tour vehicle surcharge tax activities for the taxable year.

It may also be used to correct errors on the periodic tax returns (Form RV-2). If the total number of rental vehicles days, number of months for tour vehicles, taxes due, penalty and interest are accurately reported and paid in full on your periodic returns, no additional tax will be due on the annual return. Dual Rate Form RV-3 must be filed in addition to (not in lieu of) the periodic rental motor vehicle and tour vehicle surcharge tax returns. To correct a previously filed Dual Rate Form RV-3, file an amended return on Dual Rate Form RV-3.

If you had no activity for the entire year, enter "0.00" on line 8. Please note that this return must be filed.

The annual tax return must be filed on or before the 20th day of the 4th month following the close of the taxable year. For example, if you are a calendar-year taxpayer (i.e., your tax year ends on December 31), then your annual tax return must be filed on or before April 20 of the following year.

To properly enter the necessary information into our computer system, the annual tax return must be filled in completely and accurately.

If a payment is being made with Dual Rate Form RV-3, make your check or money order payable to "Hawaii State Tax Collector." Write "RV", the filing period, your Hawaii Tax I.D. No., and your daytime phone number on the check. Attach your check or money order where indicated on the front of Dual Rate Form RV-3.

If you are unable to file the annual return by the due date, you may request an extension to file Dual Rate Form RV-3 by filing Form GEW-TA-RV-6, Application for Extension of Time to File the GE/Use Tax Annual Return & Reconciliation (Form G-49), the TA Tax Annual Return & Reconciliation (Form TA-2), or the RVST Annual Return & Reconciliation (Dual Rate Form RV-3). For more information, see Form GEW-TA-RV-6.

FILLING IN YOUR DUAL RATE FORM RV-3 (ANNUAL RETURN AND RECONCILIATION)

Follow the example presented in *italics* for a sample of how to fill out the form. The circled numbers on the sample form correspond to the steps in the instructions.

Example: A taxpayer, BTK Rentals and Tour Vehicles (BTK), with Hawaii Tax I.D. No. W12345678-01, files its annual return for the taxable year ending December 31, 2014. BTK has twenty rental cars, two tour vehicles (8-25 passengers), and one tour vehicle (40 passengers) on Oahu. BTK also has ten rental cars on Maui. The twenty cars on Oahu were rented for 6,900 net rental days (i.e., a total of 7,100 rental days of which 200 rental days were to lessees whose vehicles were being repaired). The ten cars on Maui were rented for a total of 3,240 rental days. Of the two tour vehicles (8-25 passengers) on Oahu, one was out of service for two months, otherwise both tour vehicles were in service for at least a portion of each month, giving BTK a total of 22 "tour vehicle-months." The tour vehicle (40 passengers) was in service for all 12 months, for a total of 12 "tour vehicle-months."

 RFB121	RETURN & RECONCILIATION Tax Year Ending 1 2 / 3 1 / 1 4 1 MM DD YY	
<input type="checkbox"/> Check this box if this is an AMENDED Return		
NAME: 2 BTK Rentals and Tour Vehicles		3
		HAWAII TAX I.D. NO. W 1 2 3 4 5 6 7 8 - 0 1 LAST 4 DIGITS OF YOUR FEIN OR SSN: 1 2 3 4 4

fig. 3.0

THE TOP OF THE TAX RETURN (fig. 3.0)

STEP 1 — Enter the numeric (two digit) month, day, and year your tax year ends in the area provided.

STEP 2 — Write your name in the area provided.

STEP 3 — Enter your Hawaii Tax I.D. No. in the area provided.

STEP 4 — Enter the last 4 digits of your FEIN or SSN in the area provided.

ATTACH CHECK OR MONEY ORDER HERE*		COLUMN A1		COLUMN A2		COLUMN B		COLUMN C		
		Rental Motor Vehicle Surcharge Tax — Enter the Number of Rental Motor Vehicle Days After June 30, 2012		Rental Motor Vehicle Surcharge Tax — Enter the Number of Rental Motor Vehicle Days Prior to July 1, 2012		Tour Vehicle Surcharge Tax — Enter the Number of Tour Vehicles Carrying 8 - 25 Passengers		Tour Vehicle Surcharge Tax — Enter the Number of Tour Vehicles Carrying 26 or More Passengers		
1	OAHU DISTRICT	5	6,900			6	22	6	12	1
2	MAUI DISTRICT	5	3,240							2
3	HAWAII DISTRICT									3
4	KAUAI DISTRICT									4
5	TOTALS (Add lines 1 through 4 of Columns A1 through C)	7	10,140			7	22	7	12	5
6	RATES		\$3		\$7.50		\$15		\$65	6
7	TAXES (Multiply line 5 by line 6 of Columns A1 through C)	8a	30,420			8b	330	8c	780	7

fig. 3.1

COMPUTING THE TAXES (fig. 3.1)

STEP 5 — Complete lines 1 through 4, Column A1, for the net rental days during the taxable year ending December 31, 2014.

For the taxable year ending December 31, 2014, BTK had 6,900 net rental days for Oahu and has entered that figure in Column A1, line 1. BTK also had 3,240 rental days on Maui, and has entered that figure in Column A1, line 2.

STEP 6 — Complete lines 1 through 4, Columns B and C, just as you did on your periodic tax returns. The difference between the periodic and annual tax returns is that the numbers reported on the annual tax return represent the total tour vehicle (8-25 passengers)-months and tour vehicle (26 or more passengers)-months in the applicable districts for the entire year.

BTK had 22 tour vehicle (8-25 passengers)-months on Oahu, and has entered that figure in Column B, line 1. In Column C, line 1, BTK had 12 tour vehicle (40 passengers)-months on Oahu, and has entered that figure in Column C, line 1.

STEP 7 — Enter the totals for lines 1 through 4 of Columns A1, B, and C in these spaces.

In Column A1, line 5, BTK has entered 10,140, the total number of net rental motor vehicle-days for the taxable year ending December 31, 2014. In Column B, line 5, BTK has entered 22, the total number of tour vehicle (8-25 passengers)-months. In Column C, line 5, BTK has entered 12, the total number of tour vehicle (40 passengers)-months.

STEP 8a — In Column A1, multiply the number entered on line 5 by the tax rate of \$3 (line 6) and enter the result on Column A1, line 7.

BTK has multiplied 10,140 (the number of vehicle-days) entered on line 5 by \$3 (the tax rate listed on line 6) to get \$30,420, which is entered in Column A1, line 7 ($10,140 \times \$3 = \$30,420$).

STEP 8b — In Column B, multiply the number entered on line 5 by the tax rate of \$15 (line 6), and enter the result on line 7.

BTK has multiplied 22 (the number of tour vehicle (8-25 passengers)-months) entered on line 5 by \$15 (the tax rate listed on line 6) to get \$330, which is entered in Column B, line 7 ($22 \times \$15 = \330).

STEP 8c — In Column C, multiply the number entered on line 5 by the tax rate of \$65 (line 6), and enter the result on line 7.

BTK has multiplied 12 (the number of tour vehicle (40 passengers)-months) entered on line 5 by \$65 (the tax rate listed on line 6) to get \$780, which is entered in Column C, line 7 ($12 \times \$65 = \780).

FINISHING THE TAX RETURN (fig. 3.2)

STEP 9 — Add Columns A1, B, and C, line 7, and enter the total on line 8. This is the total tax due. **CAUTION: LINE 8 MUST BE FILLED IN.** If you do not have any rental motor vehicle or tour vehicle activity and therefore have no tax due, enter "0.00" on line 8.

BTK has added \$30,420, \$330, and \$780 for a total of \$31,530 which is entered on line 8.

STEP 10 — Add all the penalties and interest which have been assessed on taxes owed on the periodic tax returns for the taxable year, enter the results to the right of "PENALTY" and "INTEREST", and enter the total of the two amounts on line 9.

STEP 11 — Add lines 8 and 9, and enter the total on line 10, "TOTAL AMOUNT".

8. TOTAL TAXES DUE. Add line 7, Columns A1 through C and enter result here. If you did not have any activity for the period, enter "0.00" here.	9	31,530	00	8
9. Amounts Assessed during the year.	PENALTY		10	9
	INTEREST			
10. TOTAL AMOUNT. Add lines 8 and 9.	11	31,530	00	10
11. TOTAL TAXES PAID ON MONTHLY, QUARTERLY, OR SEMIANNUAL RETURNS FOR THE PERIOD (and the Annual Return if this is an Amended Return) LESS ANY REFUNDS RECEIVED FOR THE TAX YEAR. RECONCILIATION ON PAGE 2 MUST BE COMPLETED.	12	31,530	00	11
12. Additional assessments paid for the tax year, if included on line 8.	12			12
13. PENALTIES \$ 14 INTEREST \$ 15 Paid.	13			13
14. TOTAL PAYMENTS MADE FOR THE TAX YEAR. (Add lines 11 thru 13)	14	31,530	00	14
15. CREDIT CLAIMED ON ORIGINAL ANNUAL RETURN. (For Amended Return ONLY)	15			15
16. NET PAYMENTS MADE. Line 14 minus line 15.	16			16
17. CREDIT TO BE REFUNDED. Line 16 minus line 10	17			17
18. ADDITIONAL TAXES DUE. Line 10 minus line 16	18			18
19. FOR LATE FILING ONLY →	PENALTY		22	19
	INTEREST			
20. TOTAL AMOUNT DUE AND PAYABLE. (Add lines 18 and 19)	20	31,530	00	20
21. PLEASE ENTER THE AMOUNT OF YOUR PAYMENT. Attach a check or money order payable to "HAWAII STATE TAX COLLECTOR" in U.S. dollars drawn on any U.S. bank to Dual Rate Form RV-3. Write "RV", the filing period, your Hawaii Tax I.D. No., and your daytime phone number on your check or money order. Mail to: HAWAII DEPARTMENT OF TAXATION, P.O. BOX 2430, HONOLULU, HI 96804-2430. If you are NOT submitting a payment with this return, enter "0.00" here.	21			21
DECLARATION: I declare, under the penalties set forth in section 231-36, HRS, that this is a true and correct return, prepared in accordance with the provisions of the Rental Motor Vehicle and Tour Vehicle Surcharge Tax Law and the rules issued thereunder.				
IN THE CASE OF A CORPORATION OR PARTNERSHIP, THIS RETURN MUST BE SIGNED BY AN OFFICER, PARTNER OR MEMBER, OR DULY AUTHORIZED AGENT.				
25 Betty T. Kealoha SIGNATURE	Owner TITLE	4/20/15 DATE	(808) 123-4567 DAYTIME PHONE NUMBER	

fig. 3.2

STEP 12 — Add the total amount of rental motor vehicle and tour vehicle surcharge taxes paid with your periodic tax returns and any delinquency notices for the taxable year, less any refunds received for the taxable year. Enter this amount on line 11, "TOTAL TAXES PAID ON MONTHLY, QUARTERLY, OR SEMIANNUAL RETURNS FOR THE PERIOD (and the Annual Return if this is an Amended Return) LESS ANY REFUNDS RECEIVED FOR THE TAX YEAR".

STEP 13 — Enter the amount of tax paid with any assessment notices for the taxable year, if included on line 8, on line 12.

STEP 14 — Enter the amount of any penalty paid with your periodic tax returns, delinquency notices, or assessment notices for the taxable year on line 13 in the space provided to the right of "PENALTIES \$."

STEP 15 — Enter the amount of any interest paid with your periodic tax returns, delinquency notices, or assessment notices for the taxable year on line 13 in the space provided to the right of "INTEREST \$."

STEP 16 — Add the amount of penalty and interest paid, and enter the total on line 13.

STEP 17 — Add the amounts on lines 11, 12, and 13, and enter the total on line 14, "TOTAL PAYMENTS MADE FOR THE TAX YEAR".

STEP 18 — Leave line 15 blank (to be used for Amended Returns ONLY).

STEP 19 — Subtract line 15 from line 14 and enter the "NET PAYMENTS MADE" on line 16.

STEP 20 — Compare the amounts on lines 10 and 16. If the amount on line 10 is **THE SAME AS** line 16, go on to Step 24.

If the amount on line 10 is **LESS THAN** line 16, subtract line 10 from line 16, and enter the result on line 17, "CREDIT TO BE REFUNDED". Go to Step 24.

STEP 21 — If the amount on line 10 is **MORE THAN** line 16, subtract line 16 from line 10 and enter the "ADDITIONAL TAXES DUE" on line 18. This is your taxes now due and payable. Calculate penalty and interest on this amount if the annual return is filed after the due date.

STEP 22 — Late Filing of Return—The penalty for failure to file a return on time is assessed on the tax due at a rate of 5% per month, or part of a month, from the due date to the filing date, to a maximum of 25%.

Interest—Interest at the rate of 2/3 of 1% per month, or part of a month, shall be assessed on the unpaid taxes and penalties beginning with the first calendar day after the date prescribed for payment, whether or not that first calendar day falls on a Saturday, Sunday, or legal holiday.

After computing the penalty and interest amounts, enter the results to the right of "PENALTY" and "INTEREST" and enter the total of the two amounts on line 19.

If you are unable to compute the penalty and interest, leave these lines blank. The Department will compute the charges for you and send you a bill.

STEP 23 — If you have taxes due now, add the amounts on lines 18 and 19 and enter the “TOTAL AMOUNT DUE AND PAYABLE” on line 20.

STEP 24 — NOTE: If you are NOT submitting a check with your return, enter “0.00” on line 21.

Write the “AMOUNT OF YOUR PAYMENT”, including any penalty and interest, on line 21. Attach your check or money order for this amount payable to “Hawaii State Tax Collector” in U.S. dollars drawn on any U.S. bank where indicated on the front of the return. Write “RV”, the filing period, your

Hawaii Tax I.D. No., and your daytime phone number on your check or money order. **DO NOT SEND CASH.**

Send your check or money order and the return to:

Hawaii Department of Taxation
P.O. Box 2430
Honolulu, HI 96804-2430

SIGNING THE RETURN (fig. 3.2)

STEP 25 — Sign your tax return. The sole proprietor, a partner or member, corporate officer, or an authorized agent must sign the return, state his/her title, write the date the return is signed, and write a daytime contact phone.

INSTRUCTIONS FOR FILING AN AMENDED DUAL RATE FORM RV-3

If you file your Dual Rate Form RV-3 and later become aware of any changes you must make to the reported number of rental motor vehicle days and/or the number of tour vehicle-months, you may file an amended return on Dual Rate Form RV-3 to change the Dual Rate Form RV-3 you already filed.

Complete your amended Dual Rate Form RV-3 as follows:

1. Check the box at the top of the front page of the Dual Rate Form RV-3 to designate that this is an amended return (see fig. 3.0).
2. Enter the correct number of rental motor vehicle days and/or the number of tour vehicle-months, and amounts of taxes due which should have been reported on the original Dual Rate Form RV-3. Follow Steps 1 through 9 above used to complete your original return. (**Note:** Entries which were correctly reported on the original Dual Rate Form RV-3 also must be entered on the appropriate line(s). **Failure to do so will result in a change from the amount to -0-.**)
3. Enter on line 9 the amounts of any penalty and/or interest assessed as of the date the amended return is filed. Penalty and interest are generally assessed because the original returns were filed after the filing deadline or because the taxes due were not paid in full by the filing deadline.
4. Enter on line 11 the total amount of taxes, additional assessments, and penalty and/or interest paid less any refunds received for the tax year. Include payments made with the original periodic and annual returns, as well as any supplemental payments made after they were filed. **REMINDER:** Payments are applied first to recover costs incurred by the Department, then to any interest due, then to penalties, and finally, to taxes.
5. Enter on line 15 the amount of credit claimed on your original Dual Rate Form RV-3.
6. Subtract line 15 from line 14 and enter the “NET PAYMENTS MADE” on line 16.
7. If line 10 is LESS THAN line 16, subtract line 10 from line 16 and enter the result on line 17, “CREDIT TO BE REFUNDED”.
8. If line 10 is MORE THAN line 16, subtract line 16 from line 10 and enter the result on line 18, “ADDITIONAL TAXES DUE”.
9. If the amended Dual Rate Form RV-3 is being filed after the due date of the original Dual Rate Form RV-3, and if there is an amount entered on line 18, enter on line 19 the amount of any penalty and/or interest now due. On a timely filed original Dual Rate Form RV-3, a penalty of 20% of the tax due will be assessed if any tax remains unpaid after 60 days from the prescribed due date of the original Dual Rate Form RV-3. The 60-day period is calculated beginning with the prescribed due date, even if the prescribed due date falls on a Saturday, Sunday, or legal holiday. This penalty is applicable to amended Dual Rate Form RV-3s for timely filed original Dual Rate Form RV-3s. Interest at the rate of 2/3 of 1% per month or part of a month shall be assessed on unpaid taxes and penalties assessed beginning with the first calendar day after the date prescribed for payment, whether or not that first calendar day falls on Saturday, Sunday, or legal holiday.
10. Add lines 18 and 19 and enter the total on line 20, “TOTAL AMOUNT DUE AND PAYABLE”.
11. Enter on line 21 the amount of any payment being made with the amended Dual Rate Form RV-3. If the amended Dual Rate Form RV-3 is being filed after the due date of the original Dual Rate Form RV-3, include any additional penalty and interest in your payment. Attach your check or money order for this amount payable to “Hawaii State Tax Collector” in U.S. dollars drawn on any U.S. bank where indicated on the front of the amended Dual Rate Form RV-3. Write “RV”, the filing period, your Hawaii Tax I.D. No., and your daytime phone number on your check or money order. **DO NOT SEND CASH**

Send your check or money order and the amended Dual Rate Form RV-3 to:

Hawaii Department of Taxation
P.O. Box 2430
Honolulu, HI 96804-2430

12. Sign your name and write your title, the date, and a daytime contact phone number in the spaces provided at the bottom of the amended Dual Rate Form RV-3 (see fig. 3.2).

If you have questions, please contact a customer service representative at:

Voice: 808-587-4242
1-800-222-3229 (Toll-Free)
Fax: (808) 587-1488

Mail: Taxpayer Services Branch
P.O. Box 259
Honolulu, HI 96809-0259

Telephone for the Hearing Impaired:
808-587-1418
1-800-887-8974 (Toll-Free)

E-mail: Taxpayer.Services@hawaii.gov