

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

**CHANGES TO NOTE**

Effective July 1, 2019, Act 174, Session Laws of Hawaii 2019, increases the rental motor vehicle surcharge tax from \$3 to \$5 per day, or a portion of a day, for all lessees.

Effective October 1, 2019, taxpayers are required to file Form RV-2 electronically. See Department of Taxation Announcement No. 2019-06.

**WHO MUST FILE**

The rental motor vehicle, tour vehicle, and car-sharing vehicle surcharge tax (RV tax) contains three separate taxes with different tax rates.

**1)** Effective July 1, 2019, the **rental motor vehicle surcharge tax** is levied at the rate of \$5 per day, or a portion of a day, on the lessor of any rental motor vehicle.

**2)** 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:

- \$66 - Over 25 passenger tour vehicle; and
- \$16 - 8 to 25 passenger tour vehicle.

**3)** The **car-sharing vehicle surcharge tax** is levied at the rate of \$0.25 (25 cents) per half-hour, or any portion of a half-hour, that a rental motor vehicle is rented or leased by a car-sharing organization; provided that for each rental of six hours or more, the rental motor vehicle surcharge tax shall be assessed. The car-sharing vehicle surcharge tax is levied on the car-sharing organization.

**FILING FREQUENCY**

RV tax periodic returns (Form RV-2) are filed on a monthly, quarterly, or semiannual basis depending on the amount of a person's tax liability. An RV tax annual return and reconciliation (Form RV-3) summarizing RV tax activity for the past year also must be filed. **Form RV-3 is due on or before the 20th day of the fourth 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 return must be filed on or before April 20 of the following year.

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

Form RV-3 is used to summarize your RV tax activities for the taxable year. It may also be used to correct errors on your periodic returns (Form RV-2). If the total number of car-sharing vehicle half-hours, 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. Form RV-3 must be filed in addition to (not in lieu of) the periodic returns. To correct a previously filed Form RV-3, file an amended return on Form RV-3.

**If you had no RV tax activity for the entire year, enter "0.00" on line 9. Please note that this return must be filed.**

If a payment is being made with 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 Form RV-3.

If you are unable to file the annual return by the due date, you may request an extension to file 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 (Form RV-3). For more information, see Form GEW-TA-RV-6.

**PENALTIES AND INTEREST**

**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, up to a maximum of 25%.

**Failure to Pay Tax After Filing Timely Return** — The penalty for failure to pay the tax after filing a timely return is 20% of the tax unpaid within 60 days of the prescribed due date.

**Failure to Pay by EFT** — The penalty for failure to pay by EFT for taxpayers who are required to pay by EFT is 2% of the tax due.

**Failure to File Electronically** — Form RV-3 **MUST** be filed electronically unless you obtain a waiver. (Use Form L-110 to apply for a waiver.) The penalty for failure to file electronically is 2% of the tax due.

**Interest** — Interest at the rate of 2/3 of 1% per month, or part of a month, shall be assessed on 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 Saturday, Sunday, or legal holiday.

Please check your return carefully. Additional penalties may be assessed if you make an underpayment of tax due to negligence, intentional disregard of the Department's rules, or fraud.

**FILLING IN YOUR 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 Car-Sharing, Rentals, and Tour Vehicles (BTK), with Hawaii Tax I.D. No. RV-123-456-7890-01, files its annual return for the taxable year. On Oahu, BTK operates a car-sharing membership program, and has 20 rental cars, two tour vehicles (8-25 passengers), and one tour vehicle (40 passengers). For the year, rental motor vehicles in the*

car-sharing membership program were rented for 14,402 car-sharing vehicle half-hours.\* The 20 rental cars were rented for 6,900 rental days, all of which occurred after June 30, 2019. Of the two tour vehicles (8-25 passengers), 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," all of which were after December 31, 2018. The tour vehicle (40 passengers) was in service for all 12 months, for a total of 12 "tour vehicle-months," all of which were after December 31, 2018.

**\*Note:** The taxpayer must have an average paid use period of six hours or less across all vehicles rented.

**THE TOP OF THE TAX RETURN** (fig. 3.0) (fig. 3.1)

**STEP 1** — Enter the numeric (two digit) month, day, and (four digit) year your tax year ends in the area provided on the top of page 1 and of page 2.

**STEP 2** — Write your name in the area provided on the top of page 1 and of page 2.

**STEP 3** — Enter your Hawaii Tax I.D. No. in the area provided on the top of page 1 and of page 2.

**STEP 4** — Enter the last 4 digits of your FEIN or SSN in the area provided on the top of page 1 and of page 2.

**COMPUTING THE TAXES** (fig. 3.2) (fig. 3.3)

**STEP 5** — On page 1, complete lines 1 through 4, Columns A through D, reporting the total amount in each district for the tax year.

*BTK had 14,402 car-sharing vehicle half-hours for Oahu, and has entered that figure in Column A, line 1. BTK had 6,900 rental days for rental motor vehicles on Oahu after June 30, 2019 and has entered that figure*

fig. 3.0

fig. 3.1

* ATTACH CHECK OR MONEY ORDER HERE *		COLUMN A	COLUMN B	COLUMN C	COLUMN D	
		Car-Sharing Vehicle Surcharge Tax — Enter the Number of Car-Sharing Vehicle Half-Hours	Rental Motor Vehicle Surcharge Tax — Enter the Number of Rental Motor Vehicle Days AFTER June 30, 2019	Tour Vehicle Surcharge Tax — Enter the Number of Tour Vehicles Carrying 8 - 25 Passengers AFTER December 31, 2018	Tour Vehicle Surcharge Tax — Enter the Number of Tour Vehicles Carrying 26 or More Passengers AFTER December 31, 2018	
1	OAHU DISTRICT	5 14,402	5 6,900	5 22	5 12	1
2	MAUI DISTRICT					2
3	HAWAII DISTRICT					3
4	KAUAI DISTRICT					4
5	TOTALS (Add lines 1 through 4)	6 14,402	6 6,900	6 22	6 12	5
6	RATES	\$0.25	\$5	\$16	\$66	6
7	TAXES (Multiply line 5 by line 6)	7 3,600 50	8 34,500 00	9 352 00	10 792 00	7
8	TAXES CALCULATED FROM PREVIOUS TAX RATES — Enter the amount from Page 2, Dual Rate Section, line 8				11 00 00	8
9	TOTAL TAXES DUE. Add line 7, Columns A through D and line 8. Enter the result here. If you did not have any activity for the period, enter "0.00" here				12 39,244 50	9

fig. 3.2



the taxable year, enter the results to the right of "PENALTY" and "INTEREST," and enter the total of the two amounts on line 10.

**STEP 14** — Add lines 9 and 10, and enter the total on line 11, "TOTAL AMOUNT."

**STEP 15** — Add the total amount of rental motor vehicle, tour vehicle, and car-sharing 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 12, "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 16** — Enter the amount of tax paid with any assessment notices for the taxable year, if included on line 9, on line 13.

**STEP 17** — Enter the amount of any penalty paid with your periodic tax returns, delinquency notices, or assessment notices for the taxable year on line 14 in the space provided to the right of "PENALTIES \$."

**STEP 18** — Enter the amount of any interest paid with your periodic tax returns, delinquency notices, or assessment notices for the taxable year on line 14 in the space provided to the right of "INTEREST \$."

**STEP 19** — Add the amount of penalty and interest paid, and enter the total on line 14.

**STEP 20** — Add the amounts on lines 12, 13, and 14, and enter the total on line 15, "TOTAL PAYMENTS MADE FOR THE TAX YEAR."

**STEP 21** — Leave line 16 blank (to be used for Amended Returns ONLY).

**STEP 22** — Subtract line 16 from line 15 and enter the "NET PAYMENTS MADE" on line 17.

**STEP 23** — Compare the amounts on lines 11 and 17. If the amount on line 11 is **THE SAME AS** line 17, go on to Step 27.

If the amount on line 11 is **LESS THAN** line 17, subtract line 11 from line 17, and enter the result on line 18, "CREDIT TO BE REFUNDED." Go to Step 27.

**STEP 24** — If the amount on line 11 is **MORE THAN** line 17, subtract line 17 from line 11 and enter the "ADDITIONAL TAXES DUE" on line 19. 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 25** — 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 20.

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 26** — If you have taxes due now, add the amounts on lines 19 and 20 and enter the "TOTAL AMOUNT DUE AND PAYABLE" on line 21.

**STEP 27** — **NOTE:** If you are NOT submitting a check with your return, enter "0.00" on line 22.

Write the "AMOUNT OF YOUR PAYMENT," including any penalty and interest, on line 22. 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. 3.3)

**STEP 28** — 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 TAXPAYERS WHOSE TAX YEAR INCLUDES DUAL RATES** (fig. 3.4) (fig. 3.5)

The following example is for a taxpayer reporting for a fiscal year that includes both January 1, 2019 and July 1, 2019. The circled numbers on page 2 of the sample form correspond to the steps in the instructions.

*Example: The taxpayer, BTK Car-Sharing, Rentals, and Tour Vehicles (BTK), with Hawaii Tax I.D. No. RV-123-456-7890-01, files its annual return for the taxable year. On Oahu, BTK operated one tour vehicle (8-25 passengers) for two months before January 1, 2019 and one tour vehicle (40 passengers) for three months before January 1, 2019. BTK also had 500 motor vehicle rental days that occurred before July 1, 2019.*

**STEP 29** — On page 2, complete lines 1 through 4, Columns B through D.

*BTK had 500 rental days for motor vehicles prior to July 1, 2019 and has entered that number in Column B, line 1 and line 5. BTK had 2 tour vehicle (8-25 passengers)-months on Oahu and has entered that number in Column C, line 1 and line 5. BTK had 3 tour vehicle (40 passenger)-months on Oahu prior to January 1, 2019 and has entered that number in Column D, line 1 and line 5.*

**STEP 30** — On page 2, complete line 7 of Columns B, C and D.

*BTK has multiplied 500 (the number of motor vehicle rental days prior to July 1, 2019) by \$3 (the tax rate on line 6) to get \$1,500, which is entered in Column B, line 7. BTK has multiplied 2 (the number of tour vehicle (8-25 passengers)-months on Oahu before January 1, 2019) by \$15 (the tax rate on line 6) to get \$30, which is entered in Column C, line 7. BTK has multiplied 3 (the number of tour vehicle (40 passenger)-months on Oahu*

DUAL RATE SECTION — To be Completed by Taxpayers whose Tax Year Includes dual rates							
		COLUMN B		COLUMN C		COLUMN D	
		Rental Motor Vehicle Surcharge Tax — Enter the Number of Rental Motor Vehicle Days BEFORE July 1, 2019		Tour Vehicle Surcharge Tax — Enter the Number of Tour Vehicles Carrying 8 - 25 Passengers BEFORE January 1, 2019		Tour Vehicle Surcharge Tax — Enter the Number of Tour Vehicles Carrying 26 or More Passengers BEFORE January 1, 2019	
1	OAHU DISTRICT	(29) 500	(29) 2	(29) 3			1
2	MAUI DISTRICT						2
3	HAWAII DISTRICT						3
4	KAUAI DISTRICT						4
5	TOTALS (Add lines 1 through 4)	(29) 500	(29) 2	(29) 3			5
6	RATES	\$3	\$15	\$65			6
7	TAXES (Multiply line 5 by line 6)	(30) 1,500 00	(30) 30 00	(30) 195 00			7
8	Add line 7, Columns B, C and D and enter the result here on page 1, line 8 . . . . .		(31)	1,725 00			8

fig. 3.4

8.	TAXES CALCULATED FROM PREVIOUS TAX RATES — Enter the amount from Page 2, Dual Rate Section, line 8	(31) 1,725 00
9.	TOTAL TAXES DUE. Add line 7, Columns A through D and line 8. Enter the result here. If you did not have any activity for the period, enter "0.00" here . . . . .	
10. AMOUNTS ASSESSED DURING THE YEAR		PENALTY

fig. 3.5

before January 1, 2019 on line 5) by the \$65 (the tax rate on line 6) to get \$195, which is entered in Column D, line 7.

**STEP 31** — On page 2, complete line 8 of Column D and enter the result on line 8 on page 1.

*BTK has entered the sum of line 7, Columns B, C and D, (\$1,725) in line 8 of Column D and in line 8 on page 1.*

### INSTRUCTIONS FOR FILING AN AMENDED FORM RV-3

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

Complete your amended Form RV-3 as follows:

- Put an "X" in the box at the top of page 1 of the Form RV-3 to designate that this is an amended return (see fig. 3.0).
- Enter the correct number of car-sharing vehicle half-hours, the 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 Form RV-3. Follow Steps 1 through 12 above used to complete your original return. (**Note:** Entries which were correctly reported on the original 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-.**)

- Enter on line 10 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.
- Enter on line 12 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.
- Enter on line 16 the amount of credit claimed on your original Form RV-3.
- Subtract line 16 from line 15 and enter the "NET PAYMENTS MADE" on line 17.

7. If line 11 is LESS THAN line 17, subtract line 11 from line 17 and enter the result on line 18, "CREDIT TO BE REFUNDED."
8. If line 11 is MORE THAN line 17, subtract line 17 from line 11 and enter the result on line 19, "ADDITIONAL TAXES DUE."
9. If the amended Form RV-3 is filed after the due date of the original Form RV-3, and if there is an amount entered on line 19, enter on line 20 the amount of any penalty and/or interest now due. On a timely filed original 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 Form RV-3. This penalty is applicable to amended Form RV-3s for timely filed original 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 19 and 20 and enter the total on line 21, "TOTAL AMOUNT DUE AND PAYABLE."
11. Enter on line 22 the amount of any payment made with the amended Form RV-3. If the amended Form RV-3 is filed after the due date of the original 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 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 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 Form RV-3 (see *fig. 3.3*).

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)